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— Buy United States War Bonds and Stamps —

National Municipal Review

Editorial Comment

"Good Government" and Scandal

MORE than a few cities like to claim they are the "best governed." They can't all be right. It would be difficult, indeed, to evolve a set of standards and tests which could place these cities in one, two, three order, and perhaps this is just as well.

Whether good government is to be judged by the quantity and quality of services rendered or by the efficiency and economy with which they are rendered or by a variety of other factors depends pretty largely on who is doing the judging.

Several years ago the editor of a popular magazine asked the National Municipal League to name the three best governed cities in the United States. It was a question neither diplomatic nor possible to answer. All that could be done was to name a dozen or so which would qualify as among the well governed cities, give some of the facts in support of this opinion, and let him choose those which seemed to promise the most stimulating "go-thou-and-do-likewise" stories.

There are cities, large and small, which would be more than ready to challenge the frequently expressed claim that Detroit is "best governed," but most certainly the fact that this great manufacturing center has been sufficiently robust and forthright to face its own nasty scandals frankly[1] should not distract in the least from the validity of the boast.

All too numerous are the cities which adopt the "hush, hush" attitude toward anyone who seeks to improve bad situations. They find it shocking to face the public admission that the community is anything less than perfect.

During the days when nearly everyone knew how badly Kansas City was suffering under the heavy hand of Boss Pendergast, local business and other interests which presumably were no part of the vicious political machine were constantly objecting that the "bad publicity" was hurting the city. They were quite oblivious to the city's acute suffering as the result of their own failure to face the facts and do something about them. The great record of accomplishment during the last two years since Kansas City's housecleaning has brought into clear relief what was lost in decency, self-respect, and money during the Pendergast dynasty.

Take the strange case of Boss Hague's Jersey City. It is a curious thing to outsiders that even highly intelligent and informed residents of that community are quite likely to stand staunchly by the boss and insist, "Well, Mr. Hague runs the place efficiently, doesn't he? And he's such a fine man personally; he doesn't drink or smoke, and he does such good work among boys." Can anyone be so naïve as to think that Jersey City is a paragon of virtue simply because no one has yet succeeded in blowing off the lid on which the boss sits so heavily, or removing the

[1] See "High Jinks in Detroit," by J. M. Leonard, page 547 this issue.

"private property" signs which make his ownership of his subjects' minds so clear?

An occasional scandal is no evidence that a city is not "best governed," or at least well governed. There are scores of communities which sorely need a few healthy scandals to shake them out of their mistaken belief that all is well. The chief reason they don't have the scandals, which are almost certainly there, is that those in power are able to keep things quietly under control. Scandals have frequently been stepping stones to improvement.

Now Is the Time

WHETHER we are in the midst of a boom, a depression, a war, or "normalcy," exponents of the status quo are always quick to argue that "this is no time to make a major change." The current cry, of course, is based on the idea that the people's attention should not be diverted from the paramount task of winning the war. Between the lines, however, can be read the hope that the people's attention will be diverted from maladministration and waste of public funds.

There never has been a more appropriate time to put our houses in order, never a time when it was more important to cut out unnecessary waste. Whatever it costs to win this war, the people will pay without a whimper. But they are bound to become increasingly conscious of non-war expenditures and it is not surprising that these are being looked at more closely.

Currently the National Municipal League is making administrative and financial surveys of a New England town and borough and of another community of 35,000. It is cooperating closely in a third survey of a community of 10,000. In each case the League's aid was sought by a group of citizens who want to know whether they are getting in services what they are paying for and whether they are paying more than they can afford.

While the surveys are still in progress and the complete results are not yet available, it appears likely that the smallest of the three communities will be shown how it can cut at least $100,000 a year from its budget without even reducing its overly high salary scale and without impairment of services. Why should the citizens wait until after the war to reveal and correct such a condition?

A group of Minneapolis citizens, in announcing recently its determination to press for needed reforms, said:

"The burdens of ever-increasing taxes, mounting costs, and an all-out war will require sacrifices of each and every home, the like of which the people of this city have never known. The city cannot properly meet this situation with a multiplicity of boards, bureaus, and divided authority. Its house must be put in order."

It is difficult, if not impossible, to find a community in which improvements cannot be made. Now is the time to make them.

Britain Tries Regional Government

The long debated experiment of creating regional areas has been tried and its value proved in civil defense; will it endure or last only for the duration?

By C. KENT WRIGHT, *Town Clerk*
Stoke Newington, England

GREAT BRITAIN is divided for civil defense purposes into twelve regions, each of which has a man of national standing at its head as regional commissioner.

These commissioners are charged with the duty of coördinating all civil defense measures in their regions, and in so doing exercise such authority as may be necessary for the government's measures to operate smoothly and efficiently. Representatives of all government departments, as well as the Navy, Army, and Air Force, are in close touch with the regional commissioner's office and keep him informed of the views and activities of their departments, particularly in matters affecting emergency plans.

By reason of their coördinating functions, the commissioners are responsible for insuring that the emergency plans of the various government departments and local authorities are workable and harmonious, and that, efficiently applied, they are capable of meeting any contingency that may arise out of invasion or heavy air raiding.

Specific powers have been delegated to the commissioners by the Minister of Home Security and the Minister of Health in respect of certain civil defense matters, particularly in connection with expenditure, and the regional commissioner, by powers derived from the defense regulations, is in charge operationally of the civil defense services. In the event of a breakdown of communications, the regional commissioner would take complete charge in his region on behalf of the central government. He would become the civil government in that area and would make decisions on his own responsibility.

Each region has one or more deputy regional commissioners.

The commissioners hold office under Parliament. They are appointed by King George on the recommendation of the Minister of Home Security, who is answerable for them in the House of Commons.

There has been criticism by some local authorities of the present regional organization. Nevertheless, arrangements functioned well during the blitz, and many local authorities would have been unable, without the help of their regional commissioner, to provide emergency services on anything like the necessary scale.

But the question of continuance after the war of this system in its present form, or in a similar form, is

AUTHOR'S NOTE. The views expressed in this article are those of the writer and do not in any way represent the views of the local authority.

viewed with some apprehension by the local authorities, on whose existing structure the regional commissioners' organization has been superimposed.

Future of Regionalism

At its annual meeting on July 22, 1942, the Association of Municipal Corporations adopted the report of a special committee which had carefully considered this matter.

"We are clearly of the opinion," the committee reported, "that although the system may have been suitable for emergency purposes during the war, and indeed might be essential in the event of invasion and consequent interference with communications, it would be not only unnecessary, but quite unsuitable, in times of peace. In our opinion local authorities should have direct access to the government departments in Westminster, without the intervention of regional or subsidiary governmental bodies.

"Much of the progress in existing social and local services in the country has been derived from local initiative and experiment—the benefits of which have been subsequently incorporated into general legislation—and we regard it as of vital importance that this local initiative, which is the very foundation of local government, should be maintained unimpaired. A system of regional administration, especially if not directly responsible to elected representation, interposed between local authorities and the central authority, would not only detract from local responsibility and initiative and tend to lower the status of local authorities, but is, in our view, calculated to give rise to undesirable delays in execution of policy and result in an appreciable addition to the cost of government, without any gain in the efficiency of local government services."

The trend of British local government during the past quarter of a century has been towards enlarging the area of local administration, and the transfer of functions originally controlled by special authorities, such as the old poor law guardians, to one "all purposes" authority.

Stated in general terms, three main factors affect the problem of the optimum area for local government: (1) efficiency of public services in a particular area; (2) adequacy of the financial resources of the area to meet the reasonable expenditure of the local authority; (3) preservation of local patriotism and interest and the attraction of suitable elected representatives from all sections of the community.

Administration and Services

Regionalism may be described as the problem of relating public administration and public services to the areas served, otherwise than by centralized national mechanism on the one hand or by small-scale local provision on the other. A region is essentially an area of an indeterminate size, and presupposes a large national unit above it and a small local unit below it.

The word has been loosely used and applied in some cases to the setting up of new bodies with either mandatory or advisory powers to supervise a number of smaller authorities within a defined area, and in

others to the extension of the area of certain local government services, such as town and country planning, water supply, sewerage, and transport, which lend themselves to large-scale administration, either by a system of joint boards or by the complete amalgamation of existing authorities into larger units of administration.

Existing "Patchwork Quilt"

In considering the future development of local government in England and Wales, there are certain anomalies in its present structure, largely due to its gradual and haphazard development, which must be understood.

What is that structure? For local government purposes the country may be regarded at the present time as falling into two broad categories: first, urban areas; second, rural areas.

The authorities exercising local government functions within these areas are:

Urban Areas:

(a) County borough councils, or
(b) County councils in association with
  (1) municipal borough councils, or
  (2) urban district councils.

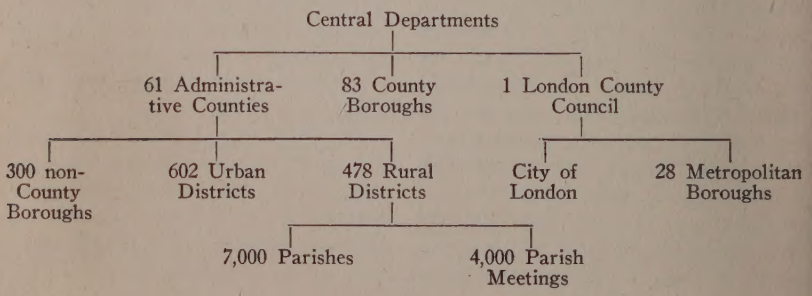
Rural Areas:

(a) County councils in association with
  (1) rural district councils,
  (2) parish councils, and
  (3) parish meetings.

The table set forth below gives a bird's-eye view of the number and type of each authority.

In a memorandum on the reorganization of local government, recently prepared by the Association of Municipal Corporations, it is pointed out that substantially the present system was set up more than fifty years ago. Where the growth of population and development of industry, accompanied by improved standards of living, have necessitated the introduction of new local government services or the extension of existing ones, new duties have often been placed upon the existing authorities, the choice of the authorities having no doubt been determined more as a matter of convenience than of logic.

Instead of there being a single authority responsible for all the services in a given area, there is a major authority—the county council—which has jurisdiction throughout the administrative county, and a series of minor authorities—non-county bor-



oughs and urban and rural district councils—which are responsible frequently for similar or related services in particular parts of the county. Only in the case of the county borough council, of which there are only eighty-three in the whole country, is power concentrated under the direction of a single authority. The county district may be a non-county borough, an urban district, or a rural district. If the last-named, it will contain parishes, which will in turn have organizations of government and possess functions of their own.

This division of power and duties between various bodies often causes difficulties; and it is sometimes with surprise that one realizes that, despite difficulties, the machinery functions effectively: the water flows, the police keep order, and local officers do their jobs.

Methods of Cooperation

The methods by which local authorities may combine or coöperate in connection with large-scale services are as many and diverse as are the types and sizes of the local authorities themselves.

The following is a brief summary of the kinds of coöperation which had been effected between local authorities before the war:

		Example
I.	*Compulsory Coöperation*	
	(a) of self-supporting services	—Electricity supply
	(b) of rate-supported services	—Land drainage
II.	*Voluntary Coöperation*	
	(a) of self-supporting services under statutory bodies	—Water boards
	(b) of self-supporting services by means of bulk supplies	—"Through running" of transport services
	(c) of rate-supported services under statutory bodies	—Hospital boards
	(d) of rate-supported services by payment for services	—Police, education.

One of the fields in which coöperation is most required among local authorities is in the supply of water. In many cases water has to be brought to an area from a distant source, and it is usual in such cases for Parliament to require the undertakers to supply water to the areas en route. This system has, on the whole, worked well and has resulted in economy of capital outlay.

The advisory committee upon water set up by the Ministry of Health reported in 1928 that if the remaining sources of water supply are to be made available at a reasonable cost, and expensive conflicts avoided, more systematic foresight is required than hitherto. Hence the urgent need for the setting up of water advisory committees covering large areas.

The function of these committees would be to ascertain the needs of each of the separate districts and formulate a definite policy designed to meet their present and prospective requirements. They would consist of representatives of each local authority of water undertaker in the area. At present there are eight water advisory committees in existence and probably an early development after the war will be the conferring of statutory powers upon them.

Studies of individual services have produced many unsatisfied demands for further enlarging the areas of administration of those services. County police forces are controlled by a standing joint committee composed as to one half of county councillors and the other half of justices of the peace appointed in Quarter Sessions.

In addition, other kinds of joint action may be adopted by the police forces. A standing joint committee in one county may appoint as chief constable a person holding the same office in an adjoining county, subject to the consent of the police authority in the latter area. This arrangement was in operation before the war in the three divisions of Lincolnshire and also in Cumberland and Westmoreland. Moreover, several county boroughs are policed by the county police under agreements between the county borough councils and the county police authority.

A Select Committee of the House of Commons was appointed in 1932 to consider and report upon the amalgamation of small police forces with larger units of police administration. That commitee found there were no fewer than forty-eight police forces which contained twenty-five men or less and a further forty police forces with a strength of between twenty-five to fifty men. The committee also declared themselves in favor of larger units of administration. "It is obvious," they stated, "that the existence of the numerous small forces . . . greatly complicates the police administration of the country in many ways; it increases the difficulty of securing the standardization of the conditions of service, training, and working methods of the police, to which we attach the greatest possible importance."

It recommended that no county borough should be deprived of its rights to maintain a separate police force but that provision should be made for the merger of the separate police forces of non-county boroughs with a population of less than 30,000.

The recommendations of the committee have not up to the present been carried out, but the merger of the small police forces is now being considered.

Has Regionalism Come to Stay?

Is regionalization expected to be permanent or merely for the duration? In its present form it is not expected to be permanent. But the long-mooted experiment of creating regional areas having been tried, and its value proved in civil defense, it seems probable that after the war the regional commissioners' organization may be replaced by elected regional councils. There might be twenty or thirty regions instead of the existing twelve.

Planning should start in the first case on a national scale with such matters as the location of industry, trunk roads, major water supply developments, national parks, and so forth. The second stage is planning at the regional level. The powers assigned to the regional councils might include the following: (1) to prescribe and enforce minimum standards in regard to a particular service throughout the region; (2) to require uniform or consistent technical methods or equipment; (3) to require a local authority within the region to

provide a particular service, and to act in default if it fails to do so; (4) to plan the siting of such institutions as schools, public swimming baths, municipal cemeteries, and so on, throughout the region.

Postwar Reconstruction Schemes

Below the regional councils there might be a second tier of authorities, which would have separately elected councils. These authorities should be of such character and status as to make them suitable units for the administration of postwar reconstruction or redevelopment schemes. The blending of rural with urban areas would prevent "over-spills" from the urban into rural areas, with a consequent escape of financial responsibility. By appropriate town planning it should be possible to limit the growth and population of each area.

Such a reorganization as is outlined would involve the disappearance of the county councils. Omitting the county boroughs and the county of London, the sixty-one administrative counties of England and Wales have an average area of only 935 square miles—say thirty-one miles square—and an average population of fewer than 365,000. The smallest counties run down to 150 square miles and 17,000 inhabitants.

Because these areas have been found too small for many problems, a number of *ad hoc* supercounty units have already been created—quite apart from the regional commissioners' organization. The traffic commissioners, electricity supply, the agricultural marketing schemes—all these are organized in units, each of which contains several counties. The actual units are rarely, if ever, the same for any two purposes. But it is of less importance that the areas are geographically haphazard than that the machinery of administration has to be improvised afresh for each new need. If there were "all purposes" regional authorities already in existence, there is no doubt that many of the existing functions of local government would be handed over to them.

Another thing which would be avoided if the problem of local government were tackled on a logical and comprehensive basis would be the constant attempts by the county and non-county boroughs to enlarge their boundaries. These attempts always met with bitter opposition from the county councils from whose domain it was proposed to take territory, population, and taxable value.

"Many persons," wrote Dr. Robson in *The Development of Local Government*, "are under the impression that there is something undemocratic and opposed to the true principles of local government in enlarging the areas of municipal administration. This is a misconception. Local government is not menaced merely by enlarging the unit of jurisdiction. If our ideas of what constitutes a locality become larger, as they in fact have within living memory, it is a natural consequence for the units of government to increase in size to a corresponding extent. The essential core of local government, the vitalizing force which informs all its most excellent manifestations, is the sense of community existing between a body of citizens and the association of that sense with a given territory in which they dwell and work."

Lubbock's Manager Plan Major Factor in City's Success

By J. C. WATSON
Lubbock Chamber of Commerce

DURING the twenty-five years since the council-manager form of government was adopted in Lubbock, Texas, the community has experienced a 1004 per cent increase in population. A major part of that growth came in the last half of that period, since 1930. Then the total population of the city was 20,520; today it is estimated to be in excess of 40,000. The official 1940 figure was 31,853.

One of the chief factors in making possible this phenomenal, substantial, and steady growth and development has been the condition and operation of the municipal government. Under the manager system the city has been in position to meet all demands and needs for service necessary to attract and obtain new commercial and industrial activities, new citizens, and new money.

Furthermore, in spite of the fact that the city tax rate has been kept consistently at an extremely low level, the city has maintained a financial position of such substantial status as to make it a desirable customer for all concerns having service, equipment, or supplies to sell.

Lubbock's most substantial development and growth came during a period of worldwide depression. Many municipalities were unable, during that decade, to provide money for necessary repairs and replacements in their physical properties because of burdensome debts incurred during the "frenzied 20's." Much refunding and many municipal bankruptcies were recorded.

In Lubbock the record has been quite different. Substantial evidence in support of that statement is furnished by a series of comparisons:

The city had 18.2 miles of paved streets in 1931; 46.4 miles in 1940, and 61.2 miles at the beginning of 1942.

Total value of the water, electric, and sewer plants owned and operated by the city of Lubbock increased from approximately $1,500,000 in 1930 to $2,312,327 in 1940, and $2,791,095 in 1942.

Increases in the total assessed valuation of property in the corporate limits for ad valorem tax purposes have been from $3,957,980 in 1920, three years after the manager charter was adopted, to $24,357,586 in 1930, and $29,386,865 in 1942.

Property in Lubbock is taken on the city tax rolls at approximately 60 per cent of actual value. That formula has been used for over twenty years. The tax rate was 65 cents at the start of the council-manager system in 1919. It was $1.25 in 1920 and 1930, and $1.00 in 1940 and 1942.

When the property tax rate is compared with that figure for other Texas cities, it is found that the Lubbock adjusted rate figures 45 cents, as compared with the next lowest in the state, among cities of similar population, of 56 cents, and the highest in this group of $1.61.

Tax collections have grown from $21,698 in 1917 to $49,825 in 1920; and $267,162 in 1940. It is esti-

mated that the 1942 collections will exceed $300,000. Net receipts from water, electric, and sewer operations were $113,082 in 1920; $300,555 in 1930; $474,441 in 1940, and the total collections for those services in 1942 will go over $500,000.

Lubbock's electric rate is the lowest in Texas for cities of the same population bracket, when figured on the basis of 100 killowat hours for residential use. The net water rate is also extremely low when compared with the same group of municipalities.

Finances Improve

In the face of all its expansion and development, Lubbock has constantly improved its credit and increased its solvency. Total outstanding capital indebtedness in 1920 was $272,857; in 1930, $2,365,000; 1940, $2,708,158, and in 1942, $2,545,075. All bonds and other indebtedness are in excellent condition and the obligations of the city are sought by investors.

All services of the city are complete and efficient. The municipal airport, recently leased to the United States Army for an Air Force Training School, is one of the best in the southwest. Its construction represents expenditures of around $550,000.

Lubbock's growth and development as a commercial center during the last twenty-five years has attracted worldwide notice.

Business Week, in its April 19, 1941, issue, carried a feature story on the city and its progress. The following excerpts were outstanding:

"Lubbock inhabitants point out that they are not passive receivers of lucky breaks. While nature dumped blessings all around, it took get-up and gumption to cash in on them. Lubbock's story—like much of Texas—starts with cattle, runs to cotton and other farming, accelerates with the discovery of oil, enters now a manufacturing phase.

"Instead of leaving a wrecked economy with each shift, all prime activities have continued to develop."

City Likes Manager Plan

Lubbock was incorporated under a mayor and city council plan in 1909. The population of the city, according to the 1910 United States Census was 1,938. The council-manager charter was adopted in 1917—25 years ago—and the 1920 census gave the population as 4,051. Figures for periods since then have been enumerated above.

Leaders of the city assert that they are convinced that the manager system has been a major factor in the general success and progress of the municipality. This is based on the general idea that the affairs of the city have been so efficiently and economically handled as to make Lubbock an attractive place for investments, as well as one which offers all desirable and convenient services and facilities.

Lubbock people are for the city manager program and no efforts are undertaken to make any changes in the general setup.

Manager's Business Methods Give Sault Ste. Marie Sound Financial Structure

By GEORGE A. OSBORN, Editor
Sault Ste. Marie Evening News

THE citizens of Sault Ste. Marie, Michigan, are thoroughly convinced of the value of the council-manager type of government and would not think of returning to the old methods. The campaign for a new charter started as early as 1914. It culminated in the adoption of the manager plan which went into effect in the fall of 1917. A committee of representative citizens faithfully studied modern government and today there is practically unanimous approval of their recommendation to throw out the ward-council form of government.

Sault Ste. Marie is entirely free from a bonded debt of about $750,000 that existed in 1917 largely because of the businesslike methods insisted on by the present manager, Henry A. Sherman, who has been at the helm since 1920. As bonds came due, Mr. Sherman paid as many as possible and the balance was refunded as serial bonds. It was not long before all bonds were of the serial type and now all have been paid in full. Today the city is free of bonded debt except for $20,000 owed on an endowed community building. There are special assessment debts for curbs, gutters, sewers, etc., which are financed largely by the persons benefiting, with the city assuming about 20 per cent of the cost.

One of the secrets of the city manager's success is his ability to make an intelligent budget and live within it. The tax rate has been relatively low, about $11 to $12 per thousand assessed valuation during the past twenty-two years. Today it is about $15 because of increased costs due largely to the war.

There is a definite program of street improvement provided in the budget each year. Construction of sewers and extension of water mains come largely from demands by the people. A city zoning law has aided in the prevention of over-expansion and residential districts have been kept fairly secure.

Snow removal, which involves plowing of snow on the streets, walks, and alleys of the city and the removal of snow on the main downtown thoroughfares, costs the taxpayers from $20,000 to $30,000 a season, depending on the precipitation.

The city has a good airport, a growing park system.

The municipal financial picture is bright because of the centralized responsibility in a manager and because Sault Ste. Marie has had the right type of manager with both engineering training and business ability. Even during the depression stability was maintained and our bonds have been rated as high class securities, calling for as low as one per cent in interest.

Because of the manager's conservatism government relief plans have been at a minimum although there have been some benefits from WPA and other federal relief programs.

The council-manager plan has had

(Continued on Page 549)

Cities Must Seek Cheap Power to Hold Their Industries

Keeping kilowatts working effectively will be a prime factor in a community's position for production and industrial advancement.

By JOHN BAUER, Director
American Public Utilities Bureau

WHILE American cities have been forced by events to assume constantly increasing responsibilities for community welfare, they have been cramped correspondingly in financing these services. This situation has already become acute under the pressures of defense and war activities, and will probably reach critical stages under postwar necessities.

When the war ends, all cities whose people have been engaged heavily in war industry will face the immediate and crucial problem of shifting back to peacetime production and activities. They will be confronted with the threat of industrial collapse, unemployment, and demoralization.

To prevent such breakdown will be the responsibility of government, which will rest, first, upon the federal government, but finally on the cities which are the centers of industrial employment.

To avoid postwar disaster will require definite planning, appropriate legislation, adequate financial means, and a program for prompt action the moment war ceases. In coördination with the federal and state governments, cities must be ready with scheduled public works and other useful activities to absorb disemployed war workers and soldiers, and to facilitate transition to full peacetime production and employment.

What should be clear is that cities must assume direct and continuous economic responsibility for their communities both during and after the war to an extent they have never before encountered. Apart from meeting war necessities and facilitating prompt transition to peacetime occupations, they must be alert in securing and preserving for their localities the most favorable conditions for continuous industrial and social advancement.

One of these conditions will be the availability of adequate and low-cost electric power. This will be essential for all mechanized and assembly line processes, and will be increasingly basic to all phases of production. To keep kilowatts working most effectively will be a prime factor in a community's position for production and industrial advancement. While adequacy of electric power will be easily attained, low cost will require incessant collective effort.

This can come only through city officials, who must see clearly that localities with low rates will have a basic advantage; those with high rates will be handicapped.

That there are great variations in rate levels between different sections of the country has been generally

known. Comparisons and discussions, however, have been limited largely to residential rates, whose differences have been emphasized through relative ratings made and published by the Federal Power Commission.

While, of course, residential rates are important to community welfare, commercial and industrial bills are of more direct significance for competitive production. To present broadly the regional differences, Table I gives the monthly bills fo typical quantities and classes o consumption in the leading industria cities of each section of the country.

[1]All figures are taken from the Federa Power Commission's report on *Typica Electric Bills in Cities of 50,000 Popula tion and More, 1942,* based on rates effec tive January 1, 1942. Where two or mor rate schedules are available to consumer the lowest bill has been included in th statement. The grouping correspond with the FPC regional classification.

TABLE I

	Residential 100 kwh	*Commercial Light 1,500 kwh*	*Commercial Power 6,000 kwh*	*Industrial Power 120,000 kwh*
New England				
Boston	$4.90	$81.50	$181.05	$1,493
Springfield	3.66	63.75	120.00	1,406
Providence	4.82	65.10	104.50	1,551
New Haven	3.88	64.50	173.00	1,370
Hartford	3.62	68.00	170.55	1,583
Middle Atlantic				
New York City-Bronx	4.75	88.71	303.24	1,816
Newark	4.35	74.00	187.50	1,446
Allentown-Bethlehem	4.74	60.60	167.50	1,505
Philadelphia	3.37	51.22	141.66	1,068
Pittsburgh	3.80	48.80	137.59	1,211
Buffalo	3.06	29.25	91.00	869
East North Central				
Cleveland	3.35	43.70	131.50	1,445
Cincinnati	2.50	51.30	122.00	1,113
Indianapolis	3.85	49.15	109.75	1,423
Detroit	3.28	45.00	146.25	1,622
Chicago	3.65	60.63	180.00	1,308
Milwaukee	3.35	45.13	126.07	1,435
West North Central				
Minneapolis	3.56	52.16	116.85	1,452
Des Moines	3.51	43.81	141.00	1,389
St. Louis	3.13	50.06	157.15	1,239
Kansas City, Mo.	3.75	56.80	179.45	1,144
Omaha	3.64	56.33	97.50	1,140
South Atlantic				
Baltimore	3.78	47.21	160.10	1,395
Washington, D. C.	2.56	33.66	120.19	1,100
Richmond	4.25	56.50	142.00	1,185
Charlotte	3.20	40.95	86.00	1,180
Atlanta	3.50	49.56	105.71	1,326
Jacksonville—M	4.60	53.50	98.00	1,354
East South Central				
Louisville	3.00	45.45	137.95	1,260
Chattanooga—M	2.50	27.50	90.00	864
Knoxville—M	2.50	22.80	78.00	864
Nashville—M	2.50	26.22	89.70	994

TABLE I—(*Continued*)

	Residential 100 kwh	*Commercial Light 1,500 kwh*	*Commercial Power 6,000 kwh*	*Industrial Power 120,000 kwh*
Memphis—M	2.88	31.63	89.70	994
Birmingham	2.75	50.50	130.00	1,120
West South Central				
Little Rock	4.10	68.25	162.25	1,392
New Orleans	4.40	68.35	161.00	1,292
Oklahoma City	4.08	57.50	122.78	1,204
Houston	3.32	48.25	128.48	1,257
Dallas	3.92	46.25	147.39	1,262
Mountain				
Denver	3.80	65.00	138.00	1,458
Salt Lake City	3.75	60.35	116.10	1,224
Phoenix	4.17	60.15	195.74	1,845
Pacific				
Spokane	2.76	29.25	79.60	889
Seattle—M	2.95	40.05	63.25	951
Tacoma—M	1.70	17.50	51.00	570
Portland	3.00	27.93	62.00	1,020
San Francisco	2.92	38.70	68.00	980
Los Angeles—M	2.97	41.33	83.94	922

M denotes municipal plant

Rate Groupings

For practical comparison a four-fold grouping of rate levels may be made for each class of consumption: very high, high, moderate, and low. While no absolute division between these grades can be made, approximate amounts can be taken as roughly representative. The following standards[2] will be taken as the *low range* for each of the first three ratings (very high, high, and moderate), and as *top* for the fourth (low):

Despite variations within a given region, or individual city differences, approximate regional grouping can be made according to the four rate levels. For the most part, the levels in the leading industrial cities are representative of levels in the smaller communities in the same region, though there are exceptions.

Very high: New England, eastern New York, New Jersey, eastern Pennsylvania (except Philadelphia), and the Mountain states.

TABLE II

	Very High	*High*	*Moderate*	*Low*
				Under
Residential—100 kwh	$4.00	$3.25	$2.75	$2.75
Commercial light—1,500 kwh	65.00	50.00	35.00	35.00
Commercial power—6,000 kwh	160.00	125.00	85.00	85.00
Industrial power—120,000 kwh	1,400.00	1,200.00	1,000.00	1,000.00

[2]To make clear these comparative standards, those for residential (100 kilowatt-hours per month) will be explained: (1) a monthly bill of $4.00 or over is considered very high; (2) $3.25 to $4.00 is high; (3) $2.75 to $3.25 is moderate; (4) under $2.75 is low. Like explanations apply to commercial light, commercial power, and industrial power. For any community or region a balance of the four ratings shows its general rate level. While the showing is not precise, reasonable application gives substantially correct groupings.

High: The Philadelphia and Pittsburgh areas in Pennsylvania, East North Central, West North Central, and West South Central.

Moderate: South Atlantic and East South Central (outside of TVA territory).

Low: Buffalo area, TVA territory, and the Pacific states. If the bills for these distinctly low areas are averaged, they funish a significant showing and yardstick for other localities:

Residential, 100 kwh	$2.71
Commercial light, 1,500 kwh	30.20
Commercial power, 6,000 kwh	76.93
Industrial power, 120,000 kwh	902.00

These averages are well under the top standards presented above for the low rate groupings, especially for commercial and industrial power. Furthermore, they apply to areas large in extent and vastly important both for war production and postwar development.

Low Rate Competition

The low rate sections will furnish decisive regional competition for development throughout the country. What can be done by New England, eastern New York, New Jersey, eastern Pennsylvania, and other localities to meet the low rates in the Buffalo, TVA, and Pacific territories?

The answer must be supplied by each state and particularly by each community; concerted public effort will be essential. To some extent sectional differences will continue, because of underlying costs. Mostly, however, they can be practically eliminated through vigorous public action, either by determined efforts to get rate reductions from private companies or through establishment of public ownership.

In most regions where rates are high there are state utility commissions before which rate reductions can be sought. In such actions the important factor to be presented is inter-regional competition. If costs are determined on the basis of proper organization and efficient management, and if regulation is made effective, excessive rates can be cut and low rate levels approached.

It is important to note that in the regions with low rates public ownership of electric power dominates. This is true not only in TVA and the Pacific states, but also in the Buffalo area which is affected by the low Ontario rates. If any community cannot get proper rate reductions from the local private company, it should have recourse to public ownership. It cannot afford to tolerate higher charges than necessary under proper organization and efficient management.

Relief Through Municipalization

Proposals for municipal ownership naturally raise the question as to what municipal plants have accomplished, and what results can be reasonably expected. The answers are indicated by a regional comparison of electric bills, showing that the low rate areas appear where public organization of electric power prevails. This is further confirmed by comprehensive comparison of municipal plants with privately supplied service.

The tabulation in Table III presents the electric bills for all municipal plants in cities of 50,000 popula-

TABLE III

	Rank*	Residential 100 kwh	Commercial Light 1,500 kwh	Commercial Power 6,000 kwh	Industrial Power 120,000 kwh
Tacoma, Wash.	1	$1.70	$17.50	$ 51.00	$ 570
Chattanooga, Tenn.	2	2.50	27.50	90.00	864
Knoxville, Tenn.	2	2.50	22.80	78.00	864
Nashville, Tenn.	2	2.50	26.22	89.70	994
Cleveland, Ohio	9	2.65	38.85	122.40	1,298
Lansing, Mich.	10	2.70	35.75	125.75	1,519
Kansas City, Kans.	13	2.80	45.00	150.00	1,203
Memphis, Tenn.	15	2.88	31.63	89.70	994
Glendale, Calif.	16	2.91	38.40	83.94	979
Seattle, Wash.	20	2.95	40.05	63.25	951
Los Angeles, Calif.	21	2.97	41.33	83.94	922
Kalamazoo, Mich.	22	3.00	57.00	147.00	1,695
Springfield, Ill.	27	3.02	19.50	82.20	1,197
Lincoln, Nebr.	32	3.03	38.52	126.02	1,472
Hamilton, Ohio	40	3.13	28.38	84.63	1,225
Pasadena, Calif.	56	3.30	35.90	89.50	798
Columbus, Ohio	65	3.40	38.38	104.03	1,249
Fort Wayne, Ind.	70	3.50	46.00	103.90	1,691
Austin, Texas	86	3.65	45.30	145.00	1,491
Holyoke, Mass.	98	3.75	39.25	72.00	1,295
Jacksonville, Fla.	181	4.60	53.50	98.00	1,354
Average		3.02	36.51	99.05	1,173

*The municipal plants are presented in the order of their relative ranking in the 210 residential ratings as given by the Federal Power Commission—21 municipal and 189 private.

tion and over on the same basis as in the preceding inter-regional statement. These bills come extensively within the low rate standards.

The average bill for each class of consumption in these cities makes an excellent showing when compared with corresponding averages for the 189 rankings for municipalities served by private companies:

	Municipal Average	Private Average
Residential, 100 kwh	$3.02	$3.89
Commercial light, 1,500 kwh	36.51	55.81
Commercial power, 6,000 kwh	99.05	144.91
Industrial power, 120,000 kwh	1,173.00	1,407.00

There are, of course, some municipal plants where rates run higher. The differences, however, reflect actual rate policies rather than what can be accomplished by a municipal plant in achieving low rates. Mostly where bills are substantially higher than the low rate standards, the municipal management is concerned with objectives other than low cost electricity for consumers and industrial advancement. It may be either making heavy contributions to the general budgets of the cities, thus relieving taxes, or accumulating profits for debt amortization and plant expansion, or both. If these special objectives are taken into account, what can be expected from municipal organization and management is shown by the low rate plants rather

than by the averages for all the municipal systems.[3]

Whatever may be said as to the advisability of operating a municipal electric system for profit, or to relieve taxes or for purposes other than low cost electricity for industrial advancement, the results are retained for public benefit. Survey of each of the twenty-one municipal systems listed above shows excellent performance. The rate differences are due more to financial policies than to underlying economy and efficiency; all are in position to furnish low rates. To a considerable extent the managements have followed a middle course of fixing rates below the prevalent private levels in nearby communities, yet making substantial profits for the relief of taxes and other purposes.

For the future, practical choice will require more critical consideration of community policy and consequences. Managements must decide whether to keep rates up and taxes down, and so hamper industrial development, or get rates down to a minimum consistent with cost and endure higher taxes (and so promote industrial expansion).

Open-minded consideration will probably lead to the conclusion that minimum rates, with maximum industrial progress, will be better than higher rates and less industrial development. From the standpoint of municipal budgets alone, low electric rates with time will produce lower tax rates, but with increased tax revenues through greater industrial enlargement.

Good policy will be for the municipal plant to contribute to other municipal and state purposes on the same relative basis as private business in general but not to make high plant profits to relieve taxes. The objective should be minimum rates consistent with cost. Operation should be financially self-sustaining covering all regular operating expenses and maintenance, depreciation, reasonable tax allowances, interest on plant debt, and moderate amortization or plant expansion. These direct annual costs and allowances are properly covered by rates but additional provisions for profit should be scrutinized rigorously from the standpoint of effect upon the industrial position of the community.

Every city of considerable size even one of less than 50,000 population, can attain substantially low

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[3] When the electric rates charged by municipal plants are proclaimed to be low by public ownership enthusiasts, private utility defenders commonly retort that such low rates are limited to residential consumption, and are offset by high commercial and industrial charges. The contention has been that if commercial and industrial bills, also the payment of taxes, are taken into account, private rates are lower than public.

The comparison above for the principal classes and typical quantities of consumption shows that municipal bills average much lower throughout than private. As to taxes, no comprehensive figures for the past few years are available. In earlier studies covering 1936 electric operations, however, the Federal Power Commission showed that on an average municipal plants contributed nearly twice as much in tax equivalents as private tax payments. The relative proportions may have changed somewhat since, but private tax payments up to 1942 have probably remained well below the level of municipal plant contributions to public budgetary purposes. See "Municipal Utilities: Profits vs. Taxes," by John Bauer, NATIONAL MUNICIPAL REVIEW, September 1939.

High Jinks in Detroit

Citizens cling to ideal of a graft-free city; act promptly and courageously in indicting and convicting those public servants "found wanting."

By J. M. LEONARD
Detroit Bureau of Governmental Research

DETROIT'S claim to being the best governed city in this country received a body blow within the past two years with the indictment and conviction of a former mayor, the superintendent of police, some eighty other police officers (not all convicted), the county sheriff and prosecuting attorney, and three of the nine city councilmen. Later followed the conviction of two members of the county board of auditors and removal from office of the third, for bribery and an assorted group of other crimes.

Has Detroit's government suddenly gone askew and are the claims to "best government" too sweeping for any but ironical comment?

Scarcely. Detroit still remains the only large city without a vestige of political party domination, free from petty grafting bureaucrats, and still possessed of the ideal that graft-free government must obtain.

One day in August 1939 a Mrs. MacDonald, who had been jilted by a small time gambler, killed herself and her daughter, leaving a number of notes claiming that the police department was honeycombed with graft. The unseemly haste of the police department to clear itself by claiming the woman was crazy fanned the current rumors that all was not well with the administration of the police department. An investigation by a one-man grand jury followed, resulting in the indictment of the mayor and various police officers but not the commissioner. The police commissioner in Detroit is a civilian appointed by the mayor. Theoretically he possesses full authority to operate the department. The indictment of the prosecuting attorney and the sheriff (in practically the same cases) indicated the extent of the breakdown in morale. The police could never have been so graft-conscious without the coöperation of the prosecutor and sheriff.

The indictments all centered in one of the most difficult crimes facing the police—that of vice, chiefly gambling involving the "numbers" racket. Many police departments solve this complicated situation by placing the regulation of such ventures with the political party in the control of the city. But there was no organized political party in Detroit.

For years Detroit has followed a liberal vice-control policy. It was considered an industrial city which did not want too vigorous enforcement of the vice laws. Under such a policy Detroit went through the 1920's with little or no difficulty. But during that period the police department was in charge of an outstanding police officer, William P. Rutledge, who governed with intelligence and rare ability. Such graft in the police department as existed was of small amounts and infrequent. After 1930, however, a succession of police commissioners followed; some able, but many neither able nor independent.

But Detroit had been accustomed to see evidences of vice and had become convinced that vice did not necessarily mean inefficiency or graft. The gradual decadence of the police administrators was unappreciated by the public, so the way was open for none-too-honest police and public officials to follow the path trod by many before them. The picture was the usual one, from sporadic payments to a system of regular levies, and

then the usual rapaciousness of ever increasing payoffs.

It is evident that Detroit and similarly situated cities should either clamp the lid on all kinds of vice, or it should make reasonably sure that the police commissioner and the mayor are possessed of considerable integrity.

The Council

In the award of a contract for a large public housing project, the question of steel versus concrete construction became the major consideration. The Housing Commission after some discussion recommended concrete on the ground that the type of steel construction contemplated was still unproved construction. The problem, which was really none of its business, came before the council, which after some more discussion approved the contract for concrete.

Then it developed that three councilmen received $15,000, $10,000, and $5,000 respectively. In each case it was said they intended to vote for concrete, liked concrete, and would not think of anything else but concrete. One councilman at his trial claimed that his payoff was not bribery because he always intended to vote for concrete; the payment was just a present from the contractors for doing what he was convinced was right.

Detroit councilmen receive $5,000 a year. One of the convicted men, however, had a considerable additional income as business agent for the bricklayers union. It appears that one councilman was talented above his two colleagues, for he got $15,000. Probably word of his ability in this direction was too much for the other two.

Protection against this form of bribery is difficult. Electing better men is probably an offhand answer. One of the councilmen convicted had been serving since 1922, another for four years, and the third, who received the $15,000, had two years service but had been a member of the state legislature before running for council. The voters did not transfer any resentment for this betrayal to the other members, for the remaining six were all re-elected last November. In nonpartisan elections a good vote-getting name is to be treasured above all else, and so it is doubtful if there is any real check on the integrity of councilmen.

The County

In Wayne County, of which Detroit represents 80 per cent of the population, the three-man board of auditors is the chief administrative body. But there are elected six other constitutional officials and three other statutory officials, a total of twelve. The legislative body of 161 members, none of them elected to the board by direct vote of the people, completes the picture of a government which should be preserved in a museum.

Two of the auditors have been indicted on a varied list of crimes involving bribery and fee-splitting. These crimes antedated those in the police department. The third member was removed from office on general grounds remarkably similar to those of the indictments, but of a lesser degree. The removal hearings of the third auditor indicated that some form of minor derelictions in duty to the financial benefit of the auditors has existed for some years.

The difficulties in the county result from the lack of any responsible county government. An overlarge and unrepresentative legislative body, too many elected officials, and a three-man administrative board all form a melange which cannot be unscrambled by persons who have made a business of trying to understand it. The three auditors, supposed to check upon each other, found it more profitable to coöperate fully in the spoils of office. Coöperation extended even to the two Democratic members helping to

secure the election of their Republican brother.

In addition to its archaic form, the county government is financially insignificant as compared with the towering government of Detroit. Such political interest of the voters as is concerned with local government is confined to Detroit.

The indictments and requests for removal of the auditors more than justifies the demands of civic groups for a responsible and effective county government to replace the present enfeebled form.[1]

Summary

Nonpartisan government emerges from the present mess without any scars. Detroit's government still can claim the distinction of the "best governed" large city because of the promptness with which it attacked the cleanup. Perhaps the most severe arraignment is that Detroiters sold themselves the "good government" idea a little too strongly.

Wayne County indictments accent the repeated demands for a reorganization of the county government along modern lines of a small representative council, centralization of power, and nonpartisan elections. The present defections point out the necessity of public, daylight controls.

The police department episode shows that Detroit has the choice of closed-up vice, or a strong police commissioner backed by an honest mayor, with perhaps the preference on the closed-up city because it is easier to check. The council derelictions are more difficult to prevent but perhaps Detroit can work toward checks on councilmanic interference with administrative decisions on which councilmen are not informed or competent.

In one sense Detroit should rejoice that the disclosures came before the practices became so settled that little or nothing could be done. So far, the citizens have courageously faced the problems and supported those who have been most earnest in eradicating the conditions.

[1]See "Home Rule for Wayne County?", by A. W. Bromage, NATIONAL MUNICIPAL REVIEW, July 1942, p. 386.

SAULT STE. MARIE'S MANAGER PLAN

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its problems but there have been a minimum of politics and comparatively little meddling with the functioning of the manager. His job has been threatened at times but when any serious attack has been made, enough citizens rallied to his support to withstand any possible attempts at removal.

Because of his successful business administration Manager Sherman is one of the oldest managers in point of service of all the communities in the United States which have adopted the manager plan.

A great majority of the voters consider the council-manager form of government as a fixed institution which is largely responsible for the efficient and progressive administration of Sault Ste. Marie.

Letter to the Editor

"Between the Devil and the Deep Blue Sea"

To the Editor of the
NATIONAL MUNICIPAL REVIEW:

The article by George A. Warp in the June number of the REVIEW, entitled "Can the King Do No Wrong?", while reaching a wrong conclusion, is so well written and displays such a thorough knowledge of the subject discussed that it should not remain unanswered.

Mr. Warp, after pointing out the intricacies and injustices arising from the application of the rule that municipal corporations are not liable for tortious acts of officers and persons in their employ while engaged in performing a governmental rather than a proprietary function, concludes:

> Discredited in theory and unwarranted in fact, the arbitrary, absurd, and unjust governmental-proprietary rule should be eliminated from municipal law. Liability should be made to depend not upon the nature of the function but upon the nature of the act. If the act is such that a private corporation would be liable, then a municipal corporation should be liable too, regardless of the nature of the function being performed.

Undoubtedly the writer means that no matter how clearly governmental the function of a municipal corporation may be, the rules of private liability should apply to its action—namely that it should be liable if any injury to person or property is caused by the negligence or unlawful acts of its officers or employees in the course of their service. Negligence would no doubt consist of doing something which a person of ordinary prudence and wisdom would not do, or failing to do something which a person of ordinary prudence would do.

Since under this new order the fact that the injury was caused in the course of the performance of a governmental function is no defense, the city council would always be in danger of involving the city in liability in tort, just as a board of directors may involve a private corporation. A zoning ordinance not infrequently causes injury to the value of property, the use of which is controlled by such ordinance. If Mr. Warp's proposal is accepted, and the owner of such property could convince a jury that the city council lacked ordinary prudence in adopting the ordinance, the city would be held liable for the damage thus caused. If, on the contrary, the city council imprudently neglected to adopt a zoning ordinance, an owner of residential property who suffered injury from the intrusion of business and manufacturing enterprises into his neighborhood might recover his damages thus caused from the city.

Similarly, if a city had power to adopt an ordinance limiting the speed of automobiles, but the city council was satisfied to let the state law control, the city might be held liable for almost all automobile accidents occurring within its limits. If, however, it adopted such an ordinance and set the rate of speed unreasonably low, the storekeepers who thereby were faced with additional cost of delivery of their goods might recover this extra expense from the city.

Courts Deny Liability

These suggestions are not fantastic: there are a number of cases in the law reports in which it was seriously contended that a city was liable for injuries resulting from the adoption of or failure to adopt ordinances of a regulatory nature. In such cases the

courts have denied liability because the function of legislation is governmental, but if we eliminate the "arbitrary, absurd, and unjust governmental-proprietary rule" we would necessarily have juries drawn by lot sitting in judgment over legislation adopted by the duly elected representatives of the people whenever an individual citizen felt himself aggrieved—a negation of democracy.

Administration Too!

The first exception to Mr. Warp's new order would, it would seem, be the elimination of the legislative function from its operation. If, however, we confine the rule to administrative functions, the results may be no less startling. One of the bases for the present doctrine is that governmental activities are usually performed gratuitously; indeed, it is this circumstance which commonly distinguishes them from the proprietary activities of a municipality. But this circumstance, we are told, should no longer be considered a defense. Accordingly, any person whose goods were stolen or who was himself the victim of assault by private wrongdoers might maintain an action against the city whenever he could convince the jury that if the policeman on the beat had been more vigilant his loss or injury would not have occurred. Every destructive fire might involve the city in litigation, based on charges, true or untrue, that the fire department was dilatory or ineffective. Every epidemic might be attributed to the negligence of the city department of health. This again is not a fantastic suggestion; many such actions have been brought and dismissed on the ground that the activity in question was governmental.

Clearly the second exception to the new rule would be the elimination of liability for nonfeasance—an exception that would require some careful interpretation in its application to actions for injuries from defects and want of repair in public buildings and on public grounds. Even in the case of misfeasance, it must be remembered that we require drastic action from our public servants in order to preserve public order and public safety, and that interference with the persons and property of our citizens is a normal and expected feature of many governmental activities, whereas it is rarely a normal function of the activities of private corporations.

If a city must stand a suit for false imprisonment every time a person arrested by one of its police officers is eventually discharged by the court, or a suit for assault whenever rioters or persons resisting arrest get the worst of a battle with the police, the maintenance of public order will be seriously hampered. If the owner of a house where a fire has started, which if unchecked might endanger the whole city, feels that the firemen, who arrived promptly and quelled the fire at its inception, laid about them with their axes too vigorously or poured on too much water, has the acts of the firemen reviewed by a jury long after the danger had passed, the next fire may lay the whole city in ashes. If questions of discipline in the public schools commonly end up in the court house in the form of suits against the city, public education will be impaired.

The exemption of municipal corporations from liability in tort for negligence in connection with their governmental functions is neither arbitrary, absurd, nor unjust. It is based on fundamental principles which underlie our whole theory of democracy.

It must be conceded, however, that while the application of the distinction between governmental and proprietary functions is usually very clear, it is one of the most nebulous of legal distinc-

tions to explain and, in close cases, to enforce. To establish a definite, comprehensible, and readily applied line of distinction through a restatement of the law or a uniform statute would require most skillful draftsmanship.

It is better to go on as we are, mitigating the hardship of the relatively few cases of injustice that arise by provision for compulsory liability insurance for the operators of all publicly-owned motor vehicles and similar devices, rather than to open the Pandora's box of troubles that would afflict us if we attempted to assimilate in the application of tort liability two things that are so definitely different as the governmental functions of a municipal body and the business activities of a private corporation.

PHILIP NICHOLS

Boston, Massachusetts

CITIES MUST SEEK CHEAP POWER

(Continued from Page 546)

rate levels through municipalization, provided that it has adequate legal powers for that purpose. Such public organization has four basic advantages.

First, the city can acquire the local properties at their real fair value, and so escape the burden of the prevalent over-capitalization of private systems. Second, it can finance acquisition and subsequent plant enlargements at a low rate of interest. Third, it can avoid the extravagant overheads that prevail almost generally in private organization. Fourth, it can keep the management directed to public objectives, without inherent conflicts with private interests. There can be escape from the four chief obstacles to low rates in the localities served by private companies.

Municipalization will also escape federal taxes, even if it provides for normal state and local tax equivalents. While the saving of federal taxes is not a factor of direct economy and efficiency, it will have substantial future advantages for municipal operation. Since the existing public systems will probably have that advantage permanently, there is a fifth reason for municipalization—to escape the relative discriminatory burden of federal taxes in communities served by private companies.

In brief summary, municipal officials will have open two alternatives, which can be simultaneously considered, to meet future low-rate requirements. First, through public rate regulation; to be effective, this will require comprehensive readjustment of regulatory standards and procedure so as to eliminate prevailing conflicts between public and private interests and to provide systematic revision of rates as a matter of regular administration.[4]

Second, if the regulatory processes prove too unwieldy, there is recourse to municipalization. This will encounter deepseated bias and organized opposition, if not legal obstacles. But, whatever the difficulties, the necessity for low rates cannot be avoided without industrial stagnation. This is the reality with which municipal officials will be compelled to struggle both for the future advancement of their communities and for the fiscal position of municipal administration.

[4]See "Supreme Court Hints New Utility Rate Base," by John Bauer, NATIONAL MUNICIPAL REVIEW, May 1942.

Contributors in Review

THE name **John Bauer** (*Cities Must Seek Cheap Power to Hold Their Industries*) and public utilities have been practically synonymous for years. Dr. Bauer gave up a professorship of economics at Princeton in 1917 to become chief of the accounting division of the Public Service Commission of New York State and ever since he has been the man to whom, in an even broader sense, public utilities have rendered themselves accountable. His writings and official positions in connection with utilities have been numerous. Dr. Bauer's chief work since 1925 has been the directorship of the American Public Utilities Bureau.

THE author of *High Jinks in Detroit,* **J. M. Leonard,** is an authority on Detroit. In re himself he is considerably more reticent. Says Mr. Leonard: "The life of a researcher in Detroit is remarkably quiet and uneventful. I started out life as an electrical engineer but got interested in politics and have been with the Detroit Bureau for the last twenty-two years. That sums up J. M. Leonard in more ways than one."

SINCE 1912 **George A. Osborn** *(Manager's Business Methods Give Sault Ste. Marie Sound Financial Structure)* has been publisher and editor of the Sault Ste. Marie *News,* with a concurrent foray into the publishing business in Fresno, California. Public affairs is an avocation; Mr. Oborn has been a member of the Michigan Unemployment Insurance Study Commission and president of the Michigan Merit System Association.

TEXAS is a subject on which **J. C. Watson** *(Lubbock's Manager Plan Major Factor in City's Success)* is well versed. He was born there and has lived there all his life. Moreover, his work has been in the public relations field, with emphasis on newspaper, chamber of commerce, and trade association affairs. Mr. Watson is now public relations director of the Lubbock Chamber of Commerce.

AS TOWN CLERK and invasion defense officer of the municipal borough of Stoke Newington, near London, **C. Kent Wright** (*Britain Tries Regional Government*) is responsible for preparing and coördinating the organization of the civilian population so as to help it give active assistance to the armed forces. Mr. Wright has trod the path of local government service ever since leaving Oxford University in 1924. He is past chairman of the Council of the Institute of Public Administration in Great Britain and has written numerous books on local government.

Researcher's Digest: November

GRA meeting stresses war problems; Pennsylvania and Illinois research; war organization viewed by New York bureau; how to cut budgets through staff functions.

WAR'S effect on state and local government and on citizens' organizations concerned with government was the central theme of the thirty-first meeting of the **Governmental Research Association**, held September 7 to 9, 1942, at Princeton, New Jersey. About eighty-five persons attended the meeting, almost all being directors and staff members of research bureaus and taxpayers' associations.

A few of the highlights from the discussions were:

The impact of the war has so far been very uneven, and the full effect of the war's dislocations has not yet been felt.

State and local revenues generally remained at a high level in the first part of 1942, but the near future may bring a shrinkage of assessed valuations and decreasing tax revenues, causing severe crises for some governmental units.

The basis of scientific assessment systems has been shattered, so that assessment formulas which were adequate in the 1920's will not work now.

Philadelphia's tax on wages earned in the city has helped solve that city's acute financial problem. This type of tax, applying to suburban residents who work in the central city, was considered by some of the participants as a means of partially integrating metropolitan areas which are legally divided into dozens of separate municipalities.

Municipalities may increase their ability to meet wartime demands by introducing more economical organization and operating methods.

Police departments in many cities could operate more efficiently if they placed less emphasis on foot patrol, made greater use of one-man cars, assigned men on the basis of actual crime experience, and improved the methods of selecting personnel.

Fire protection can be organized more efficiently in many communities with fewer fire stations and by having the station force as well as a special force do the work of an inspection bureau.

In public health work it is important that hospital beds and other facilities be used for the purposes for which they were intended. Powdered milk and skimmed milk offer another means of saving.

Welfare costs can be kept at a minimum only with an integrated welfare organization.

Legal departments, often overlooked in the search for economies, should be organized in accordance with the same administrative principles that apply to other services—selection on the basis of merit, functional organization, etc. An adequate clerical staff—about two and one-half clerks per lawyer—relieves the higher-paid personnel with resultant savings.

In a session devoted to postwar planning, the desirability of preparing to meet problems which will exist after the war was acknowledged, but the difficulties involved were emphasized.

Failure in the past to organize planning activities as an integral functioning part of the government has nullified planning efforts in many instances.

Fears were expressed that federal dominance of postwar public works construction might impair local autonomy; and that overemphasis on a construction program, such as new schoolhouses in rural school districts, could actually handicap the necessary reconstruction of local governmental organization.

The principal effect of the war on

citizens' research agencies and taxpayers' associations to date has been the loss of staff members to the military services and to governmental agencies. With one or two exceptions, the organizations have been able to continue, with about the same type of program as previously.

Public opinion measurement was suggested as a possible new tool of citizen agencies. The Massachusetts Federation of Taxpayers Associations and the Civic Research Institute, Kansas City, Missouri, reported experiments in this field. The latter organization has incorporated public opinion measurement by use of stratified samples as a regular part of its program.

The annual award for the "most noteworthy piece of research" completed by a GRA member in 1941-42 was presented to Charlton L. Chute and members of the staff of the Governmental Research Institute, St. Louis, for the *St. Louis Police Survey*. Bruce Smith of the Institute of Public Administration collaborated in the study. Honorable mention in the competition was given Richard A. Atkins and the Boston Municipal Research Bureau for *Wage Policy and Cost of Living* and to Loren B. Miller and the Civic Research Institute for *Enrollment Trends in Kansas City Schools*.

GRA officers for 1942-43 will be D. Benton Biser, Commission on Governmental Efficiency and Economy, Baltimore, chairman of the Executive Committee, and Harold L. Henderson, Minnesota Institute of Governmental Research, St. Paul, vice-chairman. Other Executive Committee members include C. A. Crosser, Bureau of Municipal Research, Des Moines; Harland C. Stockwell, Civic Federation, Chicago; S. S. Sheppard, U. S. Bureau of the Budget; and Bruce Smith, Institute of Public Administration.

LAURENCE MICHELMORE,
Secretary-Treasurer
Governmental Research Association

Pennsylvania Institute Reports

Recent research studies of the **Pennsylvania Institute of Local and State Government** are high-lighted by the announcement that the Samuel S. Fels Fund will continue for an indefinite period of years a grant which provides $40,000 annually for its support. Judging from the reports, the Institute deserves the money!

A progressive viewpoint is clearly evidenced by *Annual Public Reporting in Pennsylvania* and its successor, *Preparing the Municipal Annual Report*. The Institute plumps for reports that are briefer, simpler, more physically attractive, and more attuned to the interests of meek John Citizen. (And in the simplicity and clarity of its own reports the Institute shows that it knows how to take its own advice.)

Delinquent Tax Administration for Smaller Pennsylvania Municipalities takes the stand that municipalities should press the collection of delinquent taxes now, partly because of the rise of current government operating expenses, partly because it is a good idea to prepare the municipality for possible post-war economic dislocation. A model system for raking in laggard funds is outlined without too much verbiage.

As a result of firsthand experience gleaned by members of the Institute staff in working with local defense councils, the Institute also has issued a pamphlet on *Training the Pennsylvania Citizens Defense Corps: the Allocation of Responsibility*. In part a manual, in part a report on progress in the state, the bulletin treats a subject which is in the forefront of current governmental interest.

Latest Institute publication is *A Motor Equipment Records System for Small Municipalities*. The staff, which tried out its system in Upper Darby Township, Pennsylvania, now passes on to everyone else what it learned.

Mid-West Research

A sheaf of research material comes also from the **Illinois Legislative Council,** which has recently issued *Registration of Vital Statistics in Illinois, Immunization Against Disease,* and *Current Illinois Highway Problems.* Each is a report made as a result of proposals sponsored by individual members of the legislature. The former report reflects recent nation-wide interest in the simple problem of proving one's identity in order to take part in the war effort. Present Illinois statutes are discussed, and proposals for improvement and practices in other states are described. It is the practice of the Legislative Council not to take a stand on any controversial matter so that conclusions are left to the reader.

Immunization Against Disease is the result of a proposal that there be a compulsory immunization statute governing school children. The Council explores current practice in other states, reviews the arguments for and against the proposed statute, and restates the current statutory provisions in Illinois.

"To the continuing problems of highway policy and administration have been added the problems of adapting highway programs to the conditions imposed by the war. The usual issues of how and where to build or improve highways are subordinated in large part to the military needs of the nation for specific highways and for labor and materials in the war production program. The financial issues of highway construction and maintenance are modified by declining motor vehicle revenues, by the wartime-changed emphasis on strategic highways, and by expected postwar demands for employment." This is the Council's introduction to an entirely timely reconsideration of a function that has always been "big money" in federal, state, and local government. There are plenty of problems, apparently. Should repairs or new construction get financial priority? Who shall pay, and how much—locality, state, federal government? What controls shall be exercised over highway spending? Shall politicos, engineers, or the practical necessities of finance control the type and location of highways to be built? Shall the state rule the highways, or the local government? To cast light upon these questions the report describes the state highway system physically, financially, and governmentally and traces both history and trends into the future.

Trip to the Capital

The **Citizens Bureau of Governmental Research, Inc. of New York State,** feeling that New Yorkers should be concerned with conditions which may affect the winning of the war, has made a foray into Washington to determine the truth of charges that the war is being inefficiently run by the federal government. The bureau interviewed Washington people whom it considered were well informed in order to find out whether journalistic criticisms of the war effort applied to remediable defects, and if so, what were the remedies. Result of the bureau's investigation: twelve steps for reorganization to win the war. Included in the prescription: delegation of definite responsibility with full powers to act, consolidation of eighty separate governmental agencies into the twelve major executive departments, reduction of the war cabinet to seven members, control of the fighting forces by a single executive, control over war production by a single executive, control over all foreign relations by a single executive, elimination of committee responsibility for executive actions, elimination of dual control mechanisms.

Scissors

Concerned with the need for cutting governmental costs, the **Massachusetts Federation of Taxpayers Associations** is issuing a series of manuals intended to be helpful to citizens who want to speed the amputation locally. *Pruning the Municipal Budget, Part II,* is confined to an *Analysis of Staff Functions,* with suggestions for cost-cutting through devices such as the budget, accounting methods, insurance, motor vehicles, etc. The report takes an eminently practical slant, and the suggestions are entirely specific.

Research Bureau Reports Received

Defense Organization

Training the Pennsylvania Citizens Defense Corps: The Allocation of Responsibility. Pennsylvania Institute of Local and State Government, University of Pennsylvania, Philadelphia, 1942. 17 pp.

Health

Immunization Against Disease. Research Department, Illinois Legislative Council, Springfield, 1942. 12 pp.

Registration of Vital Statistics in Illinois. Research Department, Illinois Legislative Council, Springfield, 1942. 26 pp.

Highways

Current Illinois Highway Problems. Research Department, Illinois Legislative Council, Springfield, 1942. 49 pp.

Motor Vehicles

A Motor Equipment Records System for Small Municipalities. Pennsylvania Institute of Local and State Government, University of Pennsylvania, Philadelphia, 1942. 23 pp.

Reporting

Annual Public Reporting in Pennsylvania. Pennsylvania Institute of Local and State Government, University of Pennsylvania, Philadelphia, 1942. 15 pp.

Preparing the Municipal Annual Report. Pennsylvania Institute of Local and State Government, University of Pennsylvania, Philadelphia, 1942. 27 pp.

Taxation and Finance

Delinquent Tax Administration for Smaller Pennsylvania Municipalities. Pennsylvania Institute of Local and State Government, University of Pennsylvania, Philadelphia, 1942. 17 pp.

Pruning the Municipal Budget, Part II: Analysis of Staff Functions. Massachusetts Federation of Taxpayers Associations, Boston, 1942. 32 pp.

On the Local Front

Communities tackle problem of good food for war workers through health or nutrition committees.

Prepared by the Office of Defense Health and Welfare Services
Federal Security Administrator Paul V. McNutt, Director

ZILPHA C. FRANKLIN, Editor

ALTHOUGH modern warfare depends on industry just as much as on armed forces, measures to maintain the health and morale of defense workers are far inferior. This is true all along the line. Soldiers, sailors, and airmen are subjected to rigorous medical examinations before being accepted for service. Workers whose tasks may be just as important and exacting are frequently employed after the most casual inspection. The best possible conditions are provided for the military recruit as regards housing, medical care, physical training, and especially diet. The new war worker gets along as best he can. In housing, transportation, and illness, and particularly in eating, he must fend for himself.

And many is the time when in fending for himself he cannot find what he needs in the way of food because it is difficult to get a good meal during working hours.

This would be bad at any time. In wartime it is folly. Longer working hours, speed-up of work, insufficient rest, the extremes of temperature to which workers are frequently exposed, and the over-crowding under which many of them live, all help increase energy consumption and raise nutritional requirements. Eating the right food can be translated into greater working efficiency, fewer absences, and a decrease in accidents.

Realizing that providing the proper food for war workers is essential to maintaining their health and preventing absences from work which retard our production effort, the Office o Defense Health and Welfare Service has set up as a part of the Nationa Nutrition program a Nutrition Ad visory Service to provide practica recommendations and help to commu nities for meeting specific industria nutrition problems.

Communities, through health or nu trition committees of their defens councils, are recognizing this urgen need and many of them are tacklin the problem.

The programs which some of then are carrying out will illustrate wha is being done and can be done by th community to improve the health an efficiency of its war workers throug better nutrition.

The Bridgeport Plan—"Pack a Lunch a Man Can Work On"

Bridgeport, Connecticut, has som 70,000 war workers employed in indus trial plants making airplanes, bomb and other vital war supplies. It ha adapted the aims of the national nu trition conference to its communit needs. The plan is sponsored by th Health Division of the Civilian De fense Council in coöperation with th Fairfield County Committee on Nutr tion in Defense. Some of the activitie carried on under this plan follow:

A manual has been prepared for dis tribution to about twenty-five perso nel and welfare managers in industria plants. It consists of a loose-leaf folde with selected leaflets and other mate rials. Plant executives are thus abl to look over the leaflets and to orde

for distribution among their men, materials which it is felt are most pertinent and telling. The purpose of the manual is fourfold: (1) It will acquaint plant managers with the importance of nutrition; (2) It will give them adequate material which they may order for bulk distribution to employees; (3) It enables them to pass on material and suggestions to managers of plant cafeterias; (4) Material may be used for plant publications.

At the beginning of the city-wide campaign, attention was focused on one meal—the lunch. There were several reasons for this. A cursory examination before the plan was put into operation indicated that many plant cafeterias were inadequate to take care of the expanding ranks of workers. The great majority of the war workers carried their lunches from home—lunches that for the most part were inadequate from a nutritional standpoint. Workers themselves were inclined to the view that they could "just grab a bite." Finally, it was felt that the rules of nutrition would be more understandable if discussed in relation to a single meal. Housewives, it was believed, would apply what they had learned in regard to lunches to other meals which involve the entire family.

Adopt Slogan

The slogan "Pack a Lunch a Man Can Work On" was adopted for the lunch box phase of the plan. Leaders of the campaign realized that to be successful, a program must enlist some women who are directly affected. Since women seem to prefer advice about cookery from the woman across the fence rather than from an outsider, the Kitchen Soldier idea was conceived. Each week the *Bridgeport Post* names an outstanding homemaker the Kitchen Soldier of the Week. These women, all of whom pack one or more lunches for workers in war industries, share their favorite recipes, menus, and lunch-box packing tips with readers for an entire week. Since in Bridgeport many nationalities are represented, the menus submitted take into account family prejudices, customs of various nationalities, religions, etc., and will eventually form the basis for a lunch-box cookbook.

Preparatory to beginning the lunch-box phase of the campaign, seventy-five women—members of the Volunteer Registration Bureau—interviewed over a thousand homemakers. Over eight hundred revealed they packed daily lunch boxes. Questions included were: Do you use enriched bread for sandwiches? When is the lunch packed? Do you include fresh fruit and vegetables? With the information thus compiled leaders were able to determine what points should be emphasized in encouraging the women to pack better lunches.

A course of instruction for volunteer lecturers in lunch-box packing was completed and now these women go out to all sections of the city carrying the message of good lunch-box menus, telling how to put pep and energy into the meal that is taken from home.

A study of eating habits is being conducted in the industrial plant cafeterias, preparatory to making recommendations for improving the type of food offered the workers. Further expansion of the Bridgeport Plan includes a movement now under way to canvass all public eating places where workers buy a meal or part of a meal. With the coöperation of the City Health Department, a concentrated drive to encourage proprietors of public eating places to join in this city-wide campaign has begun.

Nutrition centers, where interested persons may secure advice and help, handy leaflets with menus and recipes, and other publications, have been set

up in department stores, the gas light company, a hospital, and a welfare center. They are manned by volunteers from the Civilian Defense Nutrition Council.

In order to insure the continuation of the "Bridgeport Plan" as a permanent community responsibility, it has been set up on a "project committee" basis. Outstanding civic, business, industrial and labor leaders were named to an advisory committee. Headed by the Mayor as honorary chairman, this group determines policies for the entire organization.

Evansville "Food for Health" Program

Stimulus for the industrial nutrition program in Evansville, Indiana, came from a local industry. Having proved that the provision of good food at the plant for its own workers had decreased the number of absences and accidents, this war industry felt that its experience would prove of value to other war industries in the community.

A meeting with representatives of the Nutrition Committee of the Defense Council, civic organizations, local industries, and the press was called to make plans for improving the nutrition of Evansville's war workers. These plans took into consideration the food served in the company cafeterias and food wagons, the meals eaten at neighborhood restaurants and at home, and the lunch box.

All the major industries agreed to study the needs of their workers and do what they could to improve eating facilities at the plant. The Nutrition Committee undertook the job of enlisting the support of restaurants which served meals to workers, and of promoting classes, demonstrations, and other educational programs for the wives of war workers.

Cafeterias in the war industry plants were expanded where necessary; posters, emphasizing the importance of nutritious foods, were placed in strategic spots; and leaflets containing simple rules for good nutrition were given to the workers to take home. Food wagons placed special emphasis on nutritious foods to supplement the lunch. Milk, orange juice, and tomato juice soon outsold soft drinks, and fruit became more popular than candy.

"Victory" Meals

A special feature, in both the war industry plant cafeterias and the coöperating restaurants, was a low-cost nutritious meal called the "victory lunch." Workers were encouraged, both by the low cost and by posters, to select this special each day.

To round out the Food for Health program workers' wives were provided with simple easy-to-understand information to use in preparing workers' meals served at home. They were also encouraged to attend classes and demonstrations on the principles of good nutrition sponsored by the nutrition committee.

Evansville is now planning a special nutrition week to be spent on an intensive campaign for the improvement of nutrition in the community, working through schools, churches, civic organizations, and retail stores as well as the war plants and restaurants.

Springfield "Food for War Workers" Campaign

In Springfield, Massachusetts, the first regional nutrition campaign for industrial workers was sponsored by the *Springfield Evening Union* with the close coöperation of the Nutrition Adviser of the New England Regional Office of Defense Health and Welfare and the Massachusetts State Extension Service, industrial and civic leaders serving on an advisory committee.

Surveys of food facilities at many

war industrial plants indicated that cafeterias in factories and restaurants in the neighborhood of war plants could not provide for the food needs of the ever-growing army of the "soldiers of production," as war workers are called in that region.

A ten-day demonstration of adequate lunches for war workers at a small industrial plant was arranged as part of the campaign. The Springfield chapter of the American Red Cross and a member of the Industrial Advisory Committee coöperated in the demonstration as a war service and a means of providing practical canteen training. The day war was declared the members of the Red Cross Canteen Corps and Motor Corps served a hot noon lunch to seventy-five war workers in the factory garage which was the only available space.

Canteen Service

One result was a request from a war plant for canteen service to the midnight shift workers. Through sleet and wind, every night at three o'clock through the long cold winter nights, the volunteer canteen workers drove their station wagon to the plant and served the men on the midnight shift. Not once did they fail in their volunteer task from January to May. A well equipped cafeteria in a new building was completed in May and now carries on the service. The management of the plant, as well as the men, said the women gave real war service, as well fed men lose less time for sickness or for accidents, and increase production.

A daily series of food news articles written by the director of the campaign, and a series of food guides and daily "packed pep" lunch guides were used throughout the campaign in the *Springfield Evening Union*. It was originally planned to carry these articles for four weeks. The popular response was so great, the managing editor asked that they become a regular daily column feature.

Frequent meetings with industrialists, nutritionists, and civic leaders and two large conferences were held. Articles and posters were used on bulletin boards in plants, clubs, libraries, and schools. "Proof of the Pudding", Metropolitan Life Insurance Company film, was shown in all the neighborhood theaters of the region.

Among the activities stimulated by the campaign were:

1. Increased interest in problems of industrial feeding;
2. Building of several new cafeterias in industrial plants;
3. Installation of milk vending machines in plants and in colleges;
4. Increase of milk consumption in industries from 33 1/3 per cent to 100 per cent (in a plant employing 10,000 workers, nearly 15,000 half-pint bottles of milk are sold daily despite competition of soft-drink vending machines);
5. A Health for Victory Club was organized in the Springfield Westinghouse plant for the war workers' wives;
6. Thousands attended victory cooking schools conducted by public utilities;
7. A permanent nutrition center was established by the gas utility company in the downtown shopping district;
8. Nutrition classes were organized for women workers and homemakers, evenings as well as afternoons, by Red Cross and County Nutrition Committees;
9. Industrial and civic leaders cooperated in meeting community feeding problems;
10. The Red Cross Canteen demonstration established a national policy permitting emergency service to war industries upon request.

News in Review

City, State, and Nation
Edited by H. M. Olmsted

Civil Servants and the War Effort

President Roosevelt Stresses Skilled Personnel Management

IN EXTENDING greetings to the Annual Conference on Public Personnel Administration of the Civil Service Assembly of the United States and Canada, held in St. Paul, Minnesota, October 1-3, President Roosevelt emphasized the importance of competent, efficient public personnel and personnel management during the war. In his message he said:

"In this fight those essential civilian services which only government can provide share in importance with the strength of our Army and Navy, and with the output of our factories and farms. In time of war our citizens look more than ever to their institutions of government for capable, efficient ministration to their needs by public servants who are trained and qualified for their work. If these services should falter, if the wheels of government run backward instead of forward, there would be little to prevent the man in the street from doubting in this period of crisis the fundamental premises on which our democracy rests.

"Upon officials in every governmental jurisdiction then—federal, state, county, and city—rests the responsibility for using their forces and resources as shrewdly as an able general directs a campaign. Manpower shortages that are a necessary outgrowth of this period make this a problem requiring the utmost of management skill, and call for all the assistance that sound personnel administration can and should supply.

"In the federal civilian service the tremendous expansion required to man the war agencies has placed a staggering load on the machinery for personnel administration. To carry this load it has been necessary to strip off some time-honored practices, and to revamp methods that were shaped to meet peacetime needs. Speed and more speed is now the watchword. Yet with all this quickened tempo I am of the conviction that the essential principles of the merit system have remained inviolate. In like fashion, I am informed personnel administration in many of the states and cities has responded to the powerful stimulus of war.

"Much still remains to be done. It is heartening to know that your gathering is dedicated to the purpose of perfecting as far as possible those methods and processes which will be of maximum help to public management in the great task that yet awaits."

Federal Personnel Conference Meets in Chicago

A six-day conference in Chicago, principally for regional personnel officers in federal war agencies, ended September 1; some eighty people were in attendance. The chief concern was as to ways and means of assuring the efficient functioning of personnel offices in wartime. The conference was under the auspices of a special advisory committee of participating agencies and the United States Civil Service Commission.

Topics included legal aspects, war service regulations, position classification, salary administration, employment and placement practice, recruiting, transfers, promotions, separation and retirement, efficiency ratings, employee relations, and training.

Politicians Delay New Jersey Constitutional Revision

The people of New Jersey will not have a chance this year to vote on whether or not they want to revise their ninety-eight-year-old constitution. As already reported in these columns,[1] the advocates of revision had decided to seek enactment of a law which would in effect enable the people at the November election to constitute the 1943 legislature a constitutional convention.

Revisionists hoped that the first step toward such action would be a favorable report by a joint legislative committee, which held weekly hearings on constitutional revision throughout the summer. In spite of the feeling that the committee of eight members, appointed by the President of the Senate and the Speaker of the Assembly, was hostile, overwhelming testimony at the hearings in favor of revision made it difficult to imagine what excuse the committee or the legislature could offer for further delay.

Highway Commissioner Spencer Miller, Jr., speaking as chairman of the New Jersey Committee on Constitutional Convention at the last hearing on September 18, said:

"I doubt if any single civic project in the history of this state has ever brought together such a cross-section of the informed opinion of our people. Read the list of organizations that now urge that the people be asked this November to say whether or not they wish the 1943 legislature to submit a revised constitution for their adoption or rejection a year hence. This list includes all the great organizations of labor, the great civic organizations of women, the statewide taxpayers organization, the accredited organization of New Jersey businessmen, the two statewide consumer organizations, and numerous other civic and professional bodies."

It was only about an hour after Mr. Miller spoke that the opposition played its ace in the hole. This was a series of statements by members of veterans' organizations. Eleven of the fourteen World War veterans, members of auxiliaries, and Gold Star Mothers, who appeared in a well disciplined array, were from Jersey City. The following charge by William G. Dodd of Jersey City, national vice-commander of the Disabled American Veterans, gives a fair impression of the appeal:

"Submission of this question while the war is in progress will be treachery and a stab in the back to thousands of men now serving in the armed forces who are not allowed to vote."

Mr. Dodd then proceeded to introduce the other speakers.

The leading newspapers, the Governor, and the chief advocates of revision, including many war veterans, pointed out the fallacious, not to say dangerous, nature of the appeal. Nevertheless, it furnished six members of the joint committee, the majority of the legislature, and both party conventions with the "out" for which they had been looking.

Strong minority reports by Assemblyman Dominic Cavicchia of Essex County and Mansfield G. Amlicke of Passaic County were submitted and given wide publicity by friends of revision. Assemblyman Amlicke asked why the legislature should not let the parents, wives, and relatives of the men in our armed forces decide whether or not constitutional revision would tend to strengthen that democracy for which the men overseas are fighting. This question bids fair to be the keynote of the campaign of the revisionists from now on.

Not a single leading citizen or organization which has been advocating

[1] See September 1942 REVIEW, p. 448.

revision has indicated any intention of giving up the fight for the duration. In fact, Governor Edison, Spencer Miller, Jr., and many others have already launched an intensive speaking campaign throughout the state, and plans are under way for carrying the campaign of education into every community.

In spite of the support of Governor Edison and the Republican candidate for U. S. Senator, Albert W. Hawkes, both party conventions ignored revision in their platforms and thus went back on promises made last year. Mr. Hawkes shocked many of the local politicians by asking in his keynote address that the party go on record for a referendum on revision.

JOHN E. BEBOUT
University of Newark

Council-Manager Plan News

Prospects for the adoption of Plan E —council-manager and P.R.—which will be voted on in **Lowell, Massachusetts,** on November 3, were regarded as favorable by Frank E. Barrett, political columnist writing in the Lowell *Sun.* He pointed out that the reported opposition of city employees is far from universal, especially in the schools; that the situation in the latter is critical; and that the recent victory of Councillor Bart J. Callery, Plan E advocate, in a district where the plan must be defeated in November if it is to be beaten in the city, is a good omen.

Efforts to bring about a vote on Plan E in **Gloucester, Massachusetts,** this fall have met with reverses. Mayor Donald J. Ross, who favors the plan, has been called to active service in the navy and, whether from over-confidence, delay, or otherwise, the committee seeking petition signatures did not succeed in getting the requisite number in time. Hence, the question cannot go on the ballot until November of 1944.

The town meeting of **Bloomfield, Connecticut,** voted on October 5 to abandon the manager plan, which went into effect last year.

The council-manager plan for **Minneapolis, Minnesota,** which was expected to be voted on this fall, will be postponed. The City Manager Charter Association, sponsor of the plan, intends to revise it in view of new developments regarding the schools, which had been left under the control of the independent school board. A forthcoming report of a committee appointed by Governor Stassen to investigate school problems will be carefully studied and a new section on schools will be added to the proposed charter. The Charter Commission of the city was therefore asked to keep the charter question off the ballot this fall.

A combined committee from the Chamber of Commerce, the Junior Chamber of Commerce, and other civic organizations of **Laramie, Wyoming,** has been at work to bring about city manager government. A short, vigorous campaign was undertaken prior to the November 3 election. Under Wyoming law the councilmen, who employ the manager under the prospective plan, are selected by electors chosen at open ward meetings. The state constitution requires all officeholders to be qualified electors with at least one year's residence, thus limiting the choice of a manager, according to Dean J. A. Hill of the University of Wyoming, an active committee member.

A citizens' committee in **El Cerrito, California,** with the aid of the Chamber of Commerce, is making a study of the manager plan.

The annual conference of the International City Managers' Association, held at French Lick Springs, Indiana, October 11-15, was attended by 105 managers.

Managers from seven cities in as

many states from New York to California have accepted field assignments of thirty to sixty days to assist the Bureau of Governmental Requirements of the War Production Board in estimating the critical material requirements of state and local governments, according to the *News Letter* of the International City Managers' Association.

Planning Uses for Tax-Reverted Land

Need of collaboration between finance officers, city planners, housing officials, and other local and state governmental departments, in handling the problem of land reverting to the state or city because of tax delinquency, is stressed by Public Administration Service in a recent study. Mere restoration to the tax rolls is not a basic cure for delinquency, which may again be a thorny problem after the war.

Modern city planning organizations, under appropriate ordinances and statutes, master plans harmonized with county, regional, and state plans, revamped zoning ordinances, and up-to-date building codes, are among the recommendations.

Cities with their own real estate offices for managing tax-reverted properties benefit in at least three ways. They know, by periodic inventory and concentration of records, the exact amount of land taken over; it is easier to rent or lease the properties; and they can be more readily utilized for parks, playgrounds, and other public purposes.

The City Plan Commission of Detroit, Michigan, is one that now has authority to determine future use of city-owned property, especially property obtained through tax-delinquency, under a procedure for elimination of land-use abuses, according to the American Society of Planning Officials. This calls for approval by the City Plan Commission before a piece of city-owned property is sold or leased under terms prohibiting recovery by the city within six months. Certain properties will be retained by the city until it can be decided how they will fit into the master plan for the development of Detroit. If the real estate division of the corporation counsel's office does not believe a recommendation for withholding justifiable, it may request reconsideration by the plan commission, and if there is a continuing disagreement as to disposition of the property the matter will be referred to the City Council for final decision.

The Michigan Department of Conservation, in charge of a program of "land-use clinics" for officials of the 141 cities and towns in the state's forty-seven northern counties, has approved land-use plans submitted by a large majority of the municipalities for tax-reverted land within their boundaries. The clinics are training schools where officials learn to conserve urban land resources and make plans for their best use.

The state has deeded 3,137 parcels of such land to 117 cities with land-use plans, for use as parks, playgrounds, streets, parking lots, building areas, airports, forest preserves, docks, and schools. These are a part of over 20,000 parcels that reverted to state ownership in 1939 for tax delinquency. Of the remainder, 283 have been deeded to schools, sixteen to churches, and eight to counties and townships; 4,173 are being held at the request of cities and 13,371 have been or will be offered for sale at public auctions at recommended minimum prices.

War Labor Board Enters City Labor Dispute

The first occasion of the War Labor Board intervening in a labor dispute between a municipality and its employees was on October 6, in Newark,

New Jersey, where a strike had been in effect for six days in the Department of Public Works, crippling refuse collection. The strike was called by a local of the State, County and Municipal Workers of America (CIO). As the strike ended, health authorities had begun to express concern over the accumulation of refuse. On October 3 the Greater Newark Industrial Union Council, central body for the local CIO unions, appealed to the WLB to take jurisdiction, the Council promising to urge the workers to return; and on October 5 Governor Edison requested the intervention.

Five cities recently entered into labor union contracts, according to *Public Management*, organ of the International City Managers' Association. Four of these were in Michigan, where Bay City, Wayne, and River Rouge signed contracts with the SCMWA, while Highland Park signed with the American Federation of State, County and Municipal Employees (AFL). Alexandria, Louisiana, made an AFL contract as to firemen. The River Rouge and Wayne agreements provide for a "closed shop." The SCMWA has contracts with fourteen other cities, and the AFSCME has them with twenty-seven others. Including the five new contracts, the total for both unions is thus forty-six, in sixteen states.

287 Areas under Federal Rent Control

The Office of Price Administration on October 11 issued orders reducing and stabilizing rents on November 1 in ninety-seven defense areas, bringing the total number to 287, in which 70,000,000 people reside. All large cities but New York are included, and a survey of rents in that city is under way. For almost all of the areas rents are to be stabilized as of March 1, 1942.

Wisconsin City Attorneys Take Training

A one-week Institute for the Training of Municipal Attorneys was conducted in the late summer by the League of Wisconsin Municipalities at the University of Wisconsin, Madison. The course was taken by twenty-five city and village attorneys. The Vocational Schools Division of the Wisconsin Department of Education coöperated and paid the compensation of the Institute's director.

Police Chiefs Seek to Maintain Forces

The International Association of Chiefs of Police held its forty-ninth annual convention in New York September 21-23. Sessions were devoted entirely to problems confronting police during the war. One thousand heads of municipal, county, and state police departments, and representatives of federal law enforcement agencies and of the army, etc., from all parts of the nation, were in attendance.

One of the most urgent problems discussed was the loss of trained personnel to the armed forces, and difficulties of replacement because of wage competition of war industries—which in turn create added needs for police protection. The chiefs were advised by a government official to file papers asking exemption for every man considered irreplaceable or in a critical position, and to appeal if local selective service boards ruled against them.

Resolutions were adopted urging upon members the enforcement of thirty-five-mile speed limits and other aspects of the tire and car conservation program, and advocating that police departments throughout the country aid salvage efforts.

Wartime Recreation Explored at Conference

The War Recreation Congress, a cooperative undertaking sponsored by the National Recreation Association and other responsible leaders in the recreation field, met in Cincinnati, September 28 to October 2.

The Congress provided an opportunity for presenting the special programs and needs of the various agencies serving the war effort through recreation—local public recreation bodies, the Army and Navy, the American Red Cross within base hospitals and elsewhere with the armed forces, WPA activities in providing facilities and leadershp to supplement local resources, USO services in communities where local resources are inadequate, the United Seamen's Service for men of the merchant marine.

Recreation for industrial workers, particularly those in war industries, was one of the topics of greatest concern to the delegates. Personnel managers, recreation directors from industry, representatives from the AFL, the CIO, and other organized labor groups, together with executives in public recreation departments and private agencies concerned with recreation for industrial workers, discussed the problem together. It was pointed out that industry and organized labor, as well as community recreation agencies, should provide leadership.

Other special problems to receive attention were the need of making recreation facilities available to colored groups, and to women and girls. Leaders also expressed concern over the question of personnel, both executive and in the ranks. The cities' losses to emergency recreation, to the armed forces, and to industry are being partially met by volunteers, more women workers, and the older boys and girls at recreation centers.

Citizen Action

Edited by Elwood N. Thompson

Vancouver, B. C., Forms Municipal League

Will work for manager plan and better government

THE **Municipal League of Vancouver, B. C.,** has recently been organized to develop interest in the council-manager plan and to keep citizens informed of the successes and failures of their municipal government.

Arthur B. Langlie, governor of the state of Washington and former reform mayor of Seattle, spoke at the meeting which launched the organization.

Vancouver leaders, including E. B. Day, a trustee of the new League, have been consulting with the National Municipal League for several years. Officers of the Seattle Municipal League and the Seattle Breakfast Club recently visited Vancouver to advise on forming the new organization.

A carefully selected Board of Trustees will represent a cross-section of the social and economic life of the city, including churches, service clubs, women's groups, etc. President Charles T. Hamilton is district governor of Pacific Northwest Kiwanis. Vice-President Miss M. L. Bollert is Dean of Women (emeritus) of the University of British Columbia.

Immediate impetus for forming the new organization came when a mayor's committee on reorganization of the city's government, which had been packed with anti-manager plan members, was disbanded "for the duration." Vancouver backers of good government were not willing to see all attempts to improve the local operation of the democratic process delayed until the end of the war.

Concerning its formation and program the League has issued this statement: "Citizens are criticizing the administration of their city. Some criticism is personal spleen and must be ignored. Enough genuine criticism of a constructive type is offered by many citizens with common sense that should be harnessed and directed to be a power for good.

"A fair and just attitude to the present municipal authorities is only right. Blame should be attached to them only if they refuse to act when their duty demands action.

"Let us kill the rumors, dig out the facts, and use our common sense of right and justice to put the truth before the public when they may see and know.

"With actual uncolored details of public administration, wide open to all, voters will exercise intelligent judgment as to who can best represent them."

The executive manager of the League will attend all public meetings of the City Council.

A regularly published *News Sheet* will give members the facts on such questions as law enforcement, caliber of municipal administration, records of candidates for the city's elective offices. Also included in the *News Sheet* will be pro and con arguments on public issues, information on schools, social services, housing, sanitation, town planning, taxes, bond issues, public utilities, relationships of the city to the governments of the province and dominion, experiences of other cities confronted by problems similar to Vancouver's, and civilian defense.

The League will be non-political and non-sectarian. Memberships will be available for one dollar, five dollars, and those who can do so are being urged to subscribe ten dollars, fifty dollars, or one hundred dollars.

New York Voters Directory Out Early for Army Use

Seventy-five thousand copies of the thirtieth annual *Voters Directory* of the **Citizens Union of the City of New York** started rolling off the press on October 9. This was two weeks earlier than usual, in time to be mailed to army camps and naval bases so that voters in the armed forces, lacking the usual sources of information about candidates, will be able to make use of it in filling out their "absentee" ballots.

The directory contains biographical information about candidates for all statewide and New York City offices, and for Congress and the state legislature from New York City and suburban districts, with nonpartisan recommendations on local candidates and those for the legislature from New York City.

This year's directory contains recommendations in eighty-one contests out of 120. Thirteen Republicans and thirteen Democrats are "endorsed," which means that the Citizens Union "commends the candidates to the voters and believes their election highly desirable." Many other Republican, Democratic, and American Labor party candidates are marked "qualified," i.e. such candidates are deemed "fitted for the office," and in most contests one candidate is indicated as preferred.

Recommendations are made after exhaustive investigation, including studies of the records of incumbents, answers to an extensive questionnaire on important current issues, and personal interviews, by a Committee on Local Candidates made up of twenty-eight volunteers who serve with no more selfish motive than the Union's own aim of "securing the honest and efficient government of the City of New York."

Recommendations were sent to the newspapers before the directory was

out, and were given good publicity as usual, in spite of the war, in the metropolitan dailies. Detailed biographical sketches of candidates, however, are contained only in the directory itself.

Before the directory was in the hands of the printer this year the Union had received requests for about 45,000 copies. Civic organizations and political clubs distribute several thousand every year and for several days in October the Union office looks like the mail room of a department store at Christmas time. Requests do not cease coming in until election day is over.

Directories are paid for by contributions to the Citizens Union campaign fund and are distributed to the public free of charge.

ELEANOR C. TANZER,
Assistant Secretary
Citizens Union of the City of New York

Chicago City Club Plans Active Program

The **Chicago City Club** has announced its 1942-43 program. Its work will be adjusted to war conditions, and at the same time the Club states its determination "not to neglect local problems."

The work of the Club's committees will cover war questions and pressing problems affecting Chicago's municipal operations. Every member has been asked to make a selection of two or more committees on which he would like to work.

To help members make a choice, a recent issue of the Club's *Bulletin* outlines the past work and future programs of each committee. Here is a resume:

War Effort: Has two active subcommittees, one studying war production problems, the other war finance, particularly inequalities in the income tax law resulting from division of income between husband and wife in community property states. Civilian defense matters also will come under committee scrutiny.

Local Government: Will be principally concerned in securing passage of city manager enabling legislation and hopes to give more emphasis to proportional representation as a part of the manager program. The committee also will study general problems of local government outside the field of work done by other Club committees.

City Planning and Housing: In the past year has studied blight, zoning, land use, parks, neighborhood improvement methods, racial problems in connection with future planning. The committee hopes to develop thinking on postwar building and planning.

Education: Expects to set up subcommittees to deal with the 1943 school budget, improved health service in the schools, policy in teacher compensation, war work training and personnel, and office organization. It hopes also to coördinate its work with a similar committee of the **Women's City Club** to present a united stand on the next school budget.

Taxation: Is studying local revenue problems resulting from unprecedented spending by the national government, dislocation of state and local revenue that will come from gas rationing and other war-connected regulations. The committee hopes to make useful suggestions for the coming session of the state legislature.

Public Personnel: Reconstruction of the city's civil service commission and elimination of politics will be the major concerns. This recently created committee already has reported on the personnel situation in the Chicago Public Library and has prepared a statement issued by the Board of Governors of the Club urging appointment of a properly qualified civil service commission for the city and

recommending various changes in procedures.

Election: Immediate objective is to train canvassers and poll watchers for nonpartisan duty in regular elections. Long-range objective is to study the registration canvass.

Local Transportation: Will first try to bring about adoption of measures to meet war transportation needs.

Public Health: Plans to sponsor public health legislation at the next General Assembly to include measures dealing with compulsory smallpox vaccination, foods, drugs and cosmetics, vitamin enrichment of flour in bread, and restrictions on the sale of certain drugs. The committee also will continue its work to improve certain public health institutions in the Chicago area.

Social Welfare: Is giving increasing attention to employment opportunities for persons on relief and WPA, and to the broad social implications of both war and postwar dislocations.

Other active committees of the Club include those on constitutional revision, civil rights, and a new committee on streets, alleys, and traffic.

Seattle League Publishes Effective Voters' Guide

Previous to the autumn primary election, the Candidates Investigating Committee of the **Seattle Municipal League** reported to the voters of King County on 203 candidates for office. Nominees were chosen for the county offices of auditor, clerk, treasurer, prosecutor, sheriff, assessor, superintendent of schools, commissioners, coroner, and for seats in the state legislature. With but one exception every county candidate nominated had received favorable comment in the League's report, which was mailed to thousands of voters, in addition to members of the League, and was given widespread publicity through the *Seattle Post-Intelligencer,* the *Seattle Times,* and several community newspapers.

The following statement of policy appears at the top of each report on candidates: "It shall be the policy of the Municipal League to report upon the qualifications of candidates for office to be elected within Seattle and King County, reporting in such a judicial and nonpartisan manner and in such a way that the League shall in no sense be political or considered as sponsoring a slate."

Procedure Followed

After filings for office closed, the Candidates Investigating Committee sent questionnaires to all candidates requesting information on their education, background in politics and business, reasons for filing for office, plans to be put into effect if elected, and personal references. Candidates were then apportioned to the members of the committee, and as many as possible were interviewed personally. All references given by candidates were sent mimeographed forms asking their opinions of the person involved.

The committee then scheduled a series of six consecutive afternoon meetings at which the candidates were invited to appear. Each one—and well over a hundred accepted the invitation—was asked questions designed to give the committee an idea of the candidate's intelligence, grasp on governmental problems, and other qualifications for office.

Following these meetings, the committee formulated its report which then went to the Board of Trustees for final approval before its release to the papers.

Robert B. Dunn
Seattle Municipal League

County and Township
Edited by Elwyn A. Mauck

County Governments Engage in Civilian Defense

Broad authorization granted by state laws

PRELIMINARY survey of civilian defense on local levels tends to indicate that, while municipal defense units may be more spectacular, the county unit is the more common form of organization.

Where statutes on civilian defense have been enacted, they almost uniformly use only a few brief sentences in authorizing the creation of local councils. Under the broad authorization thus given, however, it may well be that counties will forge ahead since by their nature they can with few exceptions cover the entire population whereas municipalities cannot. Since the United States was not at war when the original defense legislation was passed in 1941, many changes probably will be made by the 1943 state legislatures which undoubtedly will reflect the trends in local organization.

Investigation of existing defense laws indicates that several state legislatures failed entirely to mention local organization. Illustrative examples are the 1941 laws of Indiana, Iowa, Maine, Missouri, Nebraska, Oklahoma, and Wyoming. Some states apparently contemplated that civilian defense would be primarily a municipal activity, others prepared to make the county the primary unit, and in New England, of course, the tendency remained for the town to absorb this new function.

Most defense legislation is permissive rather than mandatory. Thus the California law declares: "Every county, city, and city and county may establish a local council of defense by ordinance duly enacted by its governing body. . . . One or more cities, one or more counties, or one or more counties and one or more cities may . . . establish one joint local council of defense." Similar features permitting establishment of local councils either by ordinance or by proclamation are provided in the statutes of Connecticut, Illinois, Kansas, New York, Pennsylvania, South Carolina, Utah, and West Virginia.

Rhode Island injects the proviso that the approval of the governor must be secured in each instance. The Colorado law directs the state council to "guide and assist in the organization and operation of such local councils" subject, however, to the direction of the governor. Ohio and Washington remove all discretionary powers from local units by declaring that the governor may establish such councils when he finds them necessary. The Michigan law provides the governor shall establish such councils only after investigation and recommendation by the state council. State councils are empowered to establish local councils or grant authority to local units to establish them in Delaware, Florida, and Montana.

On the other hand, the expression "there shall be" is found in the laws of New Hampshire and New Jersey. The New Jersey legislature gave its act additional force by declaring that if the local unit had not acted within thirty days after passage of the act, the state council should proceed to establish a local council in every municipality so delinquent.

The method of appointing members of defense councils frequently is not given, but where stated it is the uniform practice that the agency empowered to create the council is given power to appoint its members. Fre-

quently the chief executive officer, or where there is none the chairman of the governing board, is empowered to make the appointments. For example, the Illinois law states: "The chairman or president of each county in the state may establish in and for such county a Council for Defense and appoint the members thereof."

No Pay for Services

Where pay of council members is mentioned, it is always to the effect that such members shall receive no pay for their services. They may be reimbursed for actual expense incurred in performing their duties. With the exception of New Jersey no attempt has been made to define by statute the functions of local councils. It is usually stated merely that they are to coöperate with the state council, that they are to operate under its direction, or that they are to perform those functions assigned to them by state councils. The New Jersey statute, however, describes the organization, procedure, and functions of local councils in rather minute detail.

The New Hampshire law contains the unusual provision that the "county coöperating committee" shall be composed of one man and one woman from each town and city ward in the county.

Where dissolution of the council is considered in the law, it is provided either that the agency empowered to establish local councils can dissolve them at will or that local councils shall be dissolved automatically when the state council is dissolved, although New Jersey sets a termination date in 1943.

It is probable that 1943 state defense legislation will reveal a trend toward fewer differences and greater uniformity of practice resulting primarily from guidance of the national Office of Civilian Defense.

Statutes to which reference is made are as follows:

California, 1941, Ch. 561
Colorado, 1941, H.B. 1373
Connecticut, 1941, Ch. 106
Delaware, 1941, S.B. 12
Florida, 1941, H.B. 30
Illinois, 1941, S.B. 154, S.B. 547
Indiana, 1941, Ch. 194
Iowa, 1941, H.B. 192
Kansas, 1941, H.J.R. 4
Maine, 1940, Ch. 308 (Spec. Ses.)
Maryland, 1941, Ch. 567
Michigan, 1941, P.A. 93
Missouri, 1941, H.B. 540
Montana, 1941, Ch. 128
Nebraska, 1941, B. 232
New Hampshire, 1941, H.B. 339
New Jersey, 1940, Ch. 238; 1941, Ch. 45, Ch. 179, and Ch. 182
New York, 1941, Ch. 22, Ch. 210, Ch. 457, and Ch. 511
Ohio, 1941, S.B. 178
Oklahoma, 1941, S.B. 236
Pennsylvania, 1941, A. 3
Rhode Island, 1941, H.B. 564
South Carolina, 1941, H.B. 471
Utah, 1941, H.B. 11 (2nd Spec. Ses.)
Washington, 1941, Ch. 177
West Virginia, 1941, H.B. 369
Wyoming, 1941, S.B. 76

Wayne County, Michigan, Struggle Heightens

The *Detroit News* has thrown its influence in favor of home rule for Wayne County, Michigan. The question is to be decided by the voters of the state through referendum on a proposed constitutional amendment November 3.[1] Louis Tendler, in his series of articles appearing in that paper, calls the Board of Supervisors of 161 members a relic of ox-cart days. He points out the advantages of creating the proposed 21-member board in its stead, of securing a single administrative head, and of abolishing certain offices no longer performing sufficient functions to justify their continuation.

[1]See NATIONAL MUNICIPAL REVIEW, July 1942, p. 386; September 1942, p. 462.

Montgomery County, Maryland, to Vote on Charter Board

The Charter Committee of Montgomery County, Maryland, has succeeded in its efforts to place the question of home rule before the voters of the county in the general election this month.[2] As required by Maryland's county home rule law, the committee has filed a petition nominating five persons to constitute the Charter Board which would draft the new plan of county government. An additional slate of five, all of whom are opposed to charter change, has been nominated by the Montgomery County Commissioners.

Dane County, Wisconsin, Considers Small Board

The Dane County, Wisconsin, Board of Supervisors may submit by referendum the question of reducing the size of the board from its present eighty-two members to approximately fifteen. Attempts to secure reforms in Dane County government by constitutional amendment were defeated by the state legislature in 1939 and 1941. It is now proposed to ask the voters in the November election the question, "Shall the state legislature provide for a smaller government body for Dane County?"

The Board recently appointed a special committee on county government to hold three or more hearings on the question. Although attendance has been small, sentiment at the hearings has been overwhelmingly favorable inside the city of Madison but opposed outside the city. Many witnesses speaking for the proposal declared the issue of a single executive head was just as or more important than that of a smaller governing body.

[2]See NATIONAL MUNICIPAL REVIEW, October 1942, p. 520.

Taxation and Finance

Edited by Wade S. Smith

Gas Collection Trend Reviewed

New mileage restrictions will bring further changes

ALTHOUGH state gasoline tax collections continue to show declines below last year, a distinct leveling off tendency is apparent. For the rationed states, in fact, only negligible changes have been shown since June.

These are among the facts shown in the September *Trend of Highway Revenues*, a monthly summary of gasoline tax and highway revenue collections edited by Dr. Edna Trull, and published by the municipal division of Dun & Bradstreet, Inc. Of the eight months period Dr. Trull writes:

"Collections generally in January, in the main reflecting normal December gasoline sales, were well above the comparable month last year. The median increase for ten representative states now under rationing, however, was measurably less than the median increase in seventeen representative states outside the area now rationed. Apparently the temporary rationing in the former group in the fall of 1941 and the threat of a gasoline shortage was exercising an influence on the trend.

"In January the restrictions on the sale of tires and motor vehicles, which were announced December 31, became effective. This development was reflected in February collections, which, though still above 1941, were less markedly so than in January. The medians for the two groups moved down rather consistently and at about the same rate through February, March, and April, neither of the groups being un-

der rationing at that time. However, since the now rationed group started the year lower it fell below the previous year's level a month earlier.

"The eastern states were feeling the pinch of a gasoline shortage early in the spring, however, and on May 15 they were put under rationing. The median collection trend for the two groups began in May, consequently, to diverge. In that month the downward trend for the unrationed states continued at the previous rate while that of the now rationed states dipped more sharply. In June the decline for the rationed states continued, slightly less sharply, while the unrationed state median actually gained over the previous month.

"This diverging trend failed to hold in July, however, for the unrationed state median took a sharp dip while that for the rationed states tapered off. A partial explanation of this may be found in changes in interstate travel. The unrationed states were not getting the influx of visitors that usually accompanied the advent of the summer season.

"Looking at the picture generally for the past three months, however, it is apparent that the rate of decline from last year was tending to level off. This is conspicuously the case for the rationed states, which have shown only negligible change since June; while in August the decline from last year for the unrationed states was slightly less than in July.

"The situation is still far from being stabilized, however, for present rationing is not fully reflected in the figures and nation-wide mileage restriction is a large impending factor. The revised and somewhat more drastic rationing system which went into effect in the rationed states on July 22 will not show fully in gasoline tax collections until the September data are available. This should not retard the leveling off process materially, however. Mileage restrictions, applied in the unrationed states, will, of course, bring about a material further change in the overall trend, eliminate much of the divergence in the trends now being shown for the two groups of states, and possibly give rise to less satisfactory outlooks in several states of major interest to highway bondholders which have not yet been subject to definite gasoline curbs."

The following are the median figures on which the summary is based, showing median per cent changes for ten representative states with gasoline rationing, for seventeen states not rationed, and for the 27 states combined:

	Jan.	*Feb.*	*Mar.*	*Apr.*	*May*	*June*	*July*	*Aug.*
10 Rationed	9.9	6.3	—4.1	—7.2	—16.5	—22.1	—23.9	—22.4
17 Unrationed	17.3	9.1	1.3	—4.1	— 9.9	— 8.7	—14.0	—13.5
27 States	12.9	7.9	—3.5	—6.6	—12.4	—13.0	—18.3	—17.3

SEC Seeks "Full Disclosure" on Municipal Bond Sales

Considerable debate is coming to a head on a recent rule of the Securities and Exchange Commission. It has aroused the opposition of some municipal officials and organizations and of municipal bond dealers. This is the so-called "full disclosure" rule, X-15C1-10, which makes it a fraudulent practice to sell a security without making known to the purchaser pertinent facts regarding the bid and asked prices for such security prevailing at the time of the offering. The point of contention is the application of the rule to securities issued by state and local governments.

Before passing judgment on the proposal, it is pertinent to note that the

rule as a whole serves a useful purpose. Protection of the investor in so-called "listed" securities is provided through controls regulating the activities of the stock exchanges and their members and setting up provisions with which a security must comply to be listed on the exchange. The quotations on listed securities, of course, provide the price information.

A considerable volume of securities is sold on the "over-the-counter" market, however, and a great part of these securities are not listed on the exchanges. Broadly, regulations of which the "full disclosure" rule is a part extend to the unlisted securities market the control secured more directly over trade in listed securities.

While there can be no quarrel with the principle that purchasers of unlisted securities as well as buyers of securities listed on the exchanges are entitled to information on the going market price of the security, it must be admitted that the technical problems presented in the listed and unlisted fields differ in some significant respects. A rather general characteristic of unlisted securities is that only a limited market exists for them, or that the market is irregular, with sales so infrequent that no market for any particular security can be said to exist in the sense in which this can be said of the more actively traded securities listed on the exchanges.

A limited and irregular market is a major characteristic of trading in the securities of state and local governments. Save for the bonds of some of the states and larger local units, in which a considerable volume of debt is outstanding, it can scarcely be said that a market exists for the bonds of any given local unit. Ordinarily municipals are bought for investment rather than for speculation as is the case with corporate securities, and their buyers tend to hold the securities to maturity. Moreover, geographical limitations serve to restrict the market for the securities of the smaller units, such as it is, to a comparatively small area. The fact that many units, particularly smaller ones, issue bonds only infrequently places another limitation on the extent of their market.

Under the circumstances, it is difficult to see how full disclosure of bid and asked prices could be made in every sale of state and local bonds. The great volume of sales in municipals is in new issues. In the case of a few score issuing units, such sales occur with sufficient frequency so that sale price data are available, but even in the case of some of the larger cities sales are so infrequent that such data would necessarily be so old that it would be of little value.

In the case of small units, which issue bonds infrequently and have their securities traded generally only in the event of the liquidation of an estate or other such special occurrence, the presentation of bid and asked prices would be an impossibility. Further, it might well be doubted whether the market for municipals is sufficiently broad so that bid and asked prices are of the same significance that they are in the case of stocks and corporate bonds; the bid of a tax-exempt fiduciary would certainly be something different from that of a wealthy individual or estate seeking the haven of tax exemption, to cite just one factor in the market not found in that for stocks and corporate bonds.

Although it seems to this column that the weight of practical difficulties makes full disclosure of bid and asked prices impossible in all but a few municipal bond transactions, the opponents of rule X-15C1-10 are most vociferous in objecting that it constitutes a federal infringement of states' rights and threatens local self-government. This seems to be a rather tenuous and

unsubstantial argument, however, on examination. In the first place, the disclosure rule applies to sales by dealers etc., not by the governmental units themselves. In the second place, granted that the rule might be so applied as to discriminate against certain local units, there is still every reason to believe that in this event the courts would disallow such discrimination. On the whole, it is believed that the rule is objectionable for the more substantial reason that in the case of municipals the facts required to be disclosed do not generally exist.

Congress Continues Tax Exemption of Municipal Bond Income

The new revenue act, passed by House and Senate October 20, provides for continued exemption of state and municipal bond interest from federal income taxes. The Senate committee, at the insistence of the Treasury, had included a provision making taxable the income from future issues only, but this was removed by Senate amendment and the House concurred.

However, the issue is regarded as being far from dead. This is because higher rates on the personal income tax—with further increases prospective next year when the Treasury submits its program for an additional $6,000,000,000—are making the exemption feature progressively more valuable to holders of tax-exempt securities.

This, together with extension of direct federal taxation to millions of new taxpayers, many of whom formerly felt that they were tax-exempt too, is expected by some observers to result in such pressure for the elimination of tax exemption that Congress will before many months accede to the Treasury's demands. Under these circumstances, it is not unlikely that outstanding as well as future issues will become taxable.

Proportional Representation

Edited by George H. Hallett, Jr.

(This department is successor to the Proportional Representation Review)

Yonkers Council Unanimous Against P. R. Repealers

No Vote in New York P. R. for Long Beach?

IN AN unexpected move on October 13 the Yonkers City Council, three of whose five members had been elected with Democratic or Republican party endorsement, and one of whose members is a leading figure in the local Democratic organization, voted unanimously for a resolution condemning the two P.R. repeal proposals which were put on this fall's ballot by the local Democratic and Republican organizations.

The resolution stated, "It is felt that certain revision of the charter may be advisable but that neither of the proposed amendments provides for the needed revision"; also "it is believed the adoption of either proposed amendment is more likely to confuse rather than clarify the situation."

Charter Commission Created

The resolution, sponsored by Councilman Thomas B. Sheridan, the new independent Democratic member chosen to fill a temporary vacancy by the recent recount of the 1941 councilmanic ballots,[1] also called for the appointment of a charter revision commission to report by March 31. It asked the commission to "consider the revision of the charter and to make recommendations for constructive modifications thereof" and to include specifically:

[1]Described in this department for September 1942.

"1. Provision for a Common Council of at least seven members;

"2. Provision for automatic selection by the voters of the person who is to be mayor and who is to be the presiding officer of the Council;

"3. Provision that any appointments authorized to be made by the mayor at the advice and consent of the Council shall be submitted by the mayor to the Council to be laid upon the table for a period of at least ten days before action thereon."[2]

The first of these proposals is in line with a recommendation of the City Manager League, under whose auspices three of the five present councilmen were elected. The League originally intended to put a charter amendment on the ballot this fall reducing the quota from 10,000 to 7,500 so that seven members would be elected instead of five. The proposal was withdrawn to concentrate attention on the defeat of the P. R. repeal amendments.

The second proposal is to prevent "deals" by councilmen-elect for the purpose of being chosen mayor by their fellow-councilmen. It could be accomplished without a separate election of the mayor either by designating the first councilman elected or the one with the most first-choice votes, or better, by continuing the preferential count to determine which of the councilmen chosen is the majority choice of the voters themselves.

A "Vote No" Committee

Active opposition to the P. R. repeal proposals has been organized in a "Vote No" drive sponsored by a large citizens committee, called The United Citizens of Yonkers, with Ralph B. Feriola, a prominent banker, as chairman. Aiding in the defense of P. R. are the City Manager League, the Yonkers Committee of 100 (a local good government organization), the small American Labor party organization, and the *Yonkers Herald Statesman*.

A New City Manager

The situation has improved greatly since the accession of Mr. Sheridan to the Council. Acting with the two faithful City Manager League councilmen, Mrs. Edith P. Welty and Curtiss E. Frank, he has brought about the retirement of City Manager Raymond J. Whitney, the appointment of a former reform mayor, William A. Walsh, as city manager, and the end of the domination of the Democratic "machine" headed by Councilman James A. Sullivan. The fact that under P. R. the recent vacancy could be filled with such widely approved results by a re-examination of the ballots by which the original Council was chosen is being used as a strong argument against the two repeal proposals.

[2] *Yonkers Herald Statesman*, October 14, 1942.

P. R. and Manager Recommended to Long Beach

The Long Beach (New York) Citizens Union, an active group of substantial citizens formed to improve the government of their city, recently engaged the State Citizens Bureau of Governmental Research to make a short survey of the city's government to serve as a basis for constructive improvements. Long Beach is a city of about 9,000 population on the south shore of Long Island, with a summer population of about 30,000.

The report of the survey is now being published by the Long Beach Citizens Union in a series of bulletins. Bulletin No. 12, released October 17, is devoted to "Conditions Indicating Need of Changes in the City Charter." It reads in part as follows:

"*Proportional Representation* offers un-

(Continued on Page 580)

Books in Review

Edited by ELSIE S. PARKER

Tax Delinquency and Rural Land-Use Adjustment. By the Subcommittee on Tax Delinquency of the Land Committee, National Resources Planning Board. Washington, D. C., Superintendent of Documents, 1942. iv, 103 pp. 50 cents.

The NRPB committee that prepared this well set-up report, eighth in a series of technical papers supplementing the major NRPB reports, consists of George Wehrwein, chairman, Philip Cornick, Hugo Schwartz, and Joel Wolfsohn. The Land Committee of the NRPB announces that "the report demonstrates conclusively that a very considerable part of tax delinquency stems from land-use maladjustment, as well as that adequate tax enforcement procedure, vigorously used, can become an effective, yet just, method of bringing maladjusted land into public ownership for rehabilitation, replanning, and rededication to a more appropriate use."

The nature of land-tax delinquency is set forth according to its fiscal, legal, and land-use aspects; and new or revised procedures are suggested for tax reversion or redemption, tax lien enforcement, and state land programs. The study concludes with stress on the need for coördinated planning and action by the appropriate agencies in a constructive and long-range treatment of such land. Incidentally, reorganization and simplification of local government is urged.

Appendices present specific descriptions and studies of tax delinquency in various parts of the country.

H. M. O.

Financing the War. A Symposium. By Robert Warren, etc. Philadelphia, Tax Institute, University of Pennsylvania, 1942. ix, 357 pp. $2.50.

This book is the first of its kind to appear since the United States entered the war. It comprises eighteen authoritative chapters covering various phases of war finance prepared by as many experts.

As James W. Martin, of the University of Kentucky, states in the foreword: "No public finance discussion could be more timely than *Financing the War*. Moreover, the caliber of the authors who have collaborated and the care with which each has done the job he tackled will be a basis for reader satisfaction."

Police Records—Their Installation and Use. By O. W. Wilson. Chicago, Public Administration Service, 1942. xxiv, 336 pp. $6.

This volume contains a detailed and practical plan for the installation and operation of a police records system, based on procedures tested in a number of police departments for a period of ten or more years.

Its author is well qualified for his task. He had a brilliant career as chief of police in Wichita, Kansas, where he reorganized, staffed, and led a police force that accomplished much in law enforcement at small cost. He has also conducted numerous surveys and reorganizations of police departments in other parts of the country and has observed the workings of European police systems.

The book presents the principles and procedures which serve as a basis of development for police records in both large and small departments. It is sufficiently flexible so that certain forms and procedures may or may not be

used, according to the size of the department and the preferences of the administrator. It is a must for the police department head.

Additional Books and Pamphlets

City Charters

The Charter, Administrative Code, and General Ordinances of Kansas City, Missouri. By Burroughs N. Mosman. Kansas City, Director of Finance, 1942. 1116 pp. $6.

Employment

Economic Effects of Steady Employment and Earnings. A Case Study of the Annual Wage System of Geo. A. Hormel & Company. By Jack Chernick. Minneapolis, University of Minnesota Press, 1942. xi, 75 pp. $1.25.

Federal Government

United States Government Manual Fall 1942. By Bureau of Public Inquiries, Office of War Information. Washington, D. C., Superintendent of Documents, 1942. iv, 705 pp. $1.

Fire Departments

A Survey of Fire Departments in Wisconsin Cities. A Survey of Fire Departments in Wisconsin Villages. Madison, League of Wisconsin Municipalities, 1942. 30 and 18 pages respectively. 50 cents each.

Housing

The Rôle of the Housebuilding Industry. By Miles L. Colean. Washington, D. C., National Resources Planning Board, 1942. 29 pp.

International Relations

International Development Loans. Washington, D. C., National Planning Association, 1942. 38 pp. 25 cents.

Land Subdivision

Land Subdivision Activity in Oakland, California, 1931-1942. Oakland, City Planning Commission, 1942. 25 pp.

Personnel

Personnel Rules and Regulations for the City of Traverse City, Michigan. Prepared by the Municipal Personnel Service, Ann Arbor. Traverse City, City Commission, 1942. 8 pp. 25 cents.

Retirement System (Ordinance No. 188). Kalamazoo, Michigan, The City Manager, 1942. 22 pp.

Washington-Field Relationships in the Federal Service. Lectures and Papers by Donald C. Stone, Earl W. Loveridge and Peter Keplinger, William L. Mitchell, and James W. Fesler. Washington, Graduate School, U. S. Department of Agriculture, 1942. 60 pp. 35 cents.

Proportional Representation

A New Speaker's Conference on Electoral Reform. Annual Report for the Year 1941-1942. London, Proportional Representation Society, 1942. 20 pp. Threepence.

The Post-War House of Commons. How Should It Be Elected? By Arthur C. Turner; Foreword by A. K. White. Glasgow, Craig & Wilson, 1942. Eightpence.

Public Health

Directory of Clinics for the Diagnosis and Treatment of Venereal Diseases. By Public Health Service, Federal Security Agency. Washington, D. C., Superintendent of Documents, 1942. 136 pp. 20 cents.

Recreation

Recreation and Delinquency. A Study of Five Selected Chicago Communities. By Ethel Shanas. Chicago, Chicago Recreational Commission, 1942. xxxi, 284 pp.

Rural-Urban Problems

The Rural-Urban Fringe. Proceedings of the Commonwealth Conference, University of Oregon, April 16-17, 1942. Eugene, University of Oregon, 1942. iv, 80 pp.

Taxation and Finance

Local Government Debts in Pennsylvania. Problems and Methods of Control. By Ronald Eugene Gregg. Philadelphia, 1942. xi, 169 pp. $2. (Apply to author, 312 Colton Building, Toledo, Ohio.)

Oklahoma Sales Tax. Including Operations of the Use Tax. Statistical Report for the Fiscal Year Ending June 30, 1942. Oklahoma City, Oklahoma Tax Commission, 1942. 19 pp.

Tax Problems in State and Nation. War Time Tax Reductions Without Economy—Need of a Sound National Policy. By William J. Brede. New York City, Taxpayers Federation, Inc., 1942. 8 pp.

The Total Tax Bill for 1941. The Total Tax Bill for 1942. Philadelphia, Tax Institute, University of Pennsylvania, 1942. 1 p. 5 cents each.

What's Happening to City Revenues? Edited by Mabel L. Walker. Philadelphia, Tax Institute, University of Pennsylvania, 1942. 9 pp. 25 cents.

War

Directory of War Activities for the Duration. Pittsburgh, Civic Club of Allegheny County, 1942. 40 pp.

New York State War Transportation Manual. Albany, State War Council, War Transportation Committee, 1942. 58 pp.

Proportional Representation

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usual possibilities in Long Beach to help remedy these conditions which exist, essentially, because the city government has not been made truly representative of the substantial caliber of home owners who live in the city. Most of those have moved into the city in recent years and now dominate in numbers but not yet in government.

"In such circumstances, where a wide gap exists between the standards of city management and the civic standards of the population, a form of voting which, of its intrinsic nature, helps to produce representative control, seems to offer particular utility and a promise of a broad ramification of benefits.

"The *council-manager plan,* with P. R., under provisions like the Model Charter,[1] in the opinion of the consultants of the Long Beach Citizens Union would find an exceptionally fertile field to produce benefits in this city."

Repeal Attempt Dropped in New York City

Councilman Louis Cohen's proposed charter amendment to repeal the use of P. R. in New York City, reported in this department in June, was not pushed this year by the Democratic organization majority and was allowed to remain in the Council's Committee on Privileges and Elections. The proposal was exactly similar to the one that was voted down overwhelmingly by the voters of the city in the election of 1940.

The decision not to report the Cohen bill for consideration before this fall's election and the absence of any petition proposal affecting P. R. this year mean that a fourth P. R. Council election in New York City a year hence is assured. The first time that any repeal proposal could now be brought to a vote is the regular fall election of 1943. There appears to be a general inclination in New York City to postpone such issues till after the war.

[1]The *Model City Charter* of the National Municipal League, referred to earlier in the report.